

The meeting was held at 1:30 p.m. on Tuesday, March 31, 2009, at the Colorado River Commission, 555 East Washington Avenue, Suite 3100, Las Vegas, Nevada.

COMMISSIONERS IN ATTENDANCE

Chairman
Commissioner

Jay D. Bingham
George F. Ogilvie III

COMMISSIONERS PARTICIPATING VIA TELEPHONE

Vice Chairman
Commissioner
Commissioner

Ace I. Robison
Andrea Anderson
Marybel Batjer

COMMISSIONERS NOT IN ATTENDANCE

Commissioner
Commissioner

Tom Collins
Lois Tarkanian

DEPUTY ATTORNEYS GENERAL

Senior Deputy Attorney General
Senior Deputy Attorney General

Jennifer T. Crandell
Ann C. Pongracz

COMMISSION STAFF IN ATTENDANCE

Executive Director
Deputy Executive Director
Chief, Finance and Administration
Senior Energy Accountant
Office Manager
Administrative Assistant III

George M. Caan
James D. Salo
Douglas N. Beatty
Gail L. Benton
Judy K. Atwood
Janet L. Nuszbaum

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF MARCH 31, 2009**

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The Colorado River Commission meeting was called to order by Chairman Bingham at 1:30 p.m.

A. Conformance to Open Meeting Law.

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

B. Consideration of and possible action to approve the second amendment, in substantially the same form, to the existing agreement for interstate water banking among the Arizona Water Banking Authority, the Southern Nevada Water Authority, and the Colorado River Commission of Nevada for the storage and recovery of Colorado River water in Arizona.

On June 12, 2001, the Commission approved an Agreement for Interstate Water Banking among the Arizona Water Banking Authority (AWBA), the Southern Nevada Water Authority (SNWA), and the Commission for the storage and recovery of Colorado River water in Arizona. On December 16, 2004, the Commission approved an amendment which guaranteed Nevada access to 1.25 million acre-feet of storage credits conditioned on payments from SNWA totaling \$330 million, and authorized payment of the AWBA's actual cost to recover the stored water. In addition, the 2004 amended agreement allowed the use of banked storage credits to make up any reductions in Nevada's allocation should a Colorado River shortage be declared by the Secretary of the Interior. Should the shortage result in a reduction in Colorado River water deliveries to Arizona municipal water users, the SNWA would reduce the recovery amount proportionately to the municipal shortage.

Approval of this second amendment would provide the AWBA and the SNWA more flexibility in managing the storage and recovery of long-term storage credits of Colorado River water. It also establishes an additional method for the SNWA to recover long-term storage credits through recovery and exchange, in addition to the existing method, in order to minimize recovery costs. This agreement is effective until the credits are fully utilized or June 1, 2060, whichever comes first.

Interstate water banking and recovery in Arizona is an important component of the SNWA's Water Resource Plan and is used in conjunction with Nevada's Colorado River allocation, local groundwater, conservation, Colorado River augmentation, and drought response to meet demands while additional in-state water resources are being developed.

Staff recommended that the Commission approve the contract amendment with the Arizona Water Banking Authority, the Southern Nevada Water Authority, and the Colorado River Commission of Nevada; and authorize the executive director to sign the amendment on behalf of the Commission.

Chairman Bingham asked if this came up just a couple of months ago.

Senior Deputy Attorney General Jennifer Crandell stated that a related event did occur in January, when the Commission signed a letter in which the AWBA had proposed these changes, following a letter from Kay Brothers of the SNWA that went to AWBA suggesting these changes.

Chairman Bingham moved to adopt the proposed second amendment. Commissioner Ogilvie seconded the motion, and the motion was approved by a unanimous vote.

C. Consideration of and possible action to approve Contract Amendment #1 to the Original Contract with Piercy, Bowler, Taylor & Kern.
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In 2008 the Commission contracted to utilize the audit and internal control review services of Piercy, Bowler, Taylor & Kern. The Amendment #1 extends the termination date of the contract from June 30, 2009 to June 30, 2013; adds updated performance criteria for timely submission of draft and final audit reports; adds the audit of the Silver State Energy Association (SSEA); and changes the total not to exceed amount of the contract from \$59,650.00 for the Commission's annual audit and internal control review for one year, to \$260,000.00 for the Commission's annual audit and internal control review and the SSEA annual audit for four years.

The Commission will be reimbursed \$5,000.00 annually by SSEA to cover its portion of the total audit costs.

Staff recommended the Commission approve Contract Amendment #1 to the Original Contract with Piercy, Bowler, Taylor & Kern and authorize the executive director to sign the amendment on behalf of the Commission.

Vice Chairman Robison moved to adopt the proposed Contract Amendment. Commissioner Ogilvie seconded the motion, and the motion was approved by a unanimous vote.

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

E. Comments and questions from the Commission members.

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

F. Selection of the next possible meeting date.

The next Commission meeting was tentatively scheduled for Tuesday, May 12, 2009 at the Clark County Commission Chambers at 1:00 p.m.

G. Adjournment.

The meeting adjourned at 1:36 p.m.

George M. Caan, Executive Director

APPROVED:

Jay D. Bingham, Chairman