

The Colorado River Commission of Nevada (Commission) meeting was held at 1:30 p.m. on Tuesday, April 11, 2023, at the Clark County Government Center, Commission Chambers, 500 South Grand Central Parkway, Las Vegas, NV 89155.

COMMISSIONERS IN ATTENDANCE

Chairwoman	Puoy K. Premsrirut
Commissioner	Justin Jones
Commissioner	Marilyn Kirkpatrick
Commissioner	Allen J. Puliz
Commissioner	Dan Stewart
Commissioner	Cody T. Winterton

COMMISSIONERS PRESENT VIA TELECONFERENCE

Vice Chairwoman	Kara J. Kelley
-----------------	----------------

DEPUTY ATTORNEY(S) GENERAL

Special Counsel, Attorney General	David W. Newton
Special Counsel, Attorney General	Michelle D. Briggs

COMMISSION STAFF IN ATTENDANCE

Executive Director	Eric Witkoski
Senior Assistant Director	Sara Price
Chief of Finance and Administration	Douglas N. Beatty
Assistant Director, Engineering and Operations	Bob Reese
Assistant Director, Hydropower	Gail Bates
Assistant Director, Energy Information Systems	Kaleb Hall
Chief Accountant	Gail L. Benton
Environmental Program Manager	Warren Turkett, Ph.D.
Natural Resource Specialist	Laura Dye
Hydropower Program Manager	Craig Pyper
Hydropower Engineer	Stevie Espinosa
Senior Power Facilities Electrician	Walter Shupe
System Coordinator	Chris Smith
Executive Assistant Manager	Gina L. Goodman
Administrative Assistant III	Saira Castillo
Administrative Assistant II	Tamisha Randolph

OTHERS PRESENT: REPRESENTING

City of Boulder City
City of Henderson
City of Henderson
City of Henderson
College of Southern Nevada
Garman Tuner Gordon
Lato & Petrova CPA's LTD
Legislative Counsel Bureau
Moss Adams
NV Energy
Overton Power District No. 5
Overton Power District No. 5
Southern Nevada Water Authority
Southern Nevada Water Authority

Joseph Stubit
Kristin Kaminski
Michael Houghton
Michel Kidd
Tina Dobbs
Mary Langsner
Martha Ford
Morgan Barlow
Keith Simovic
Jana Stewart
MeLisa Garcia
Mendis Cooper
Brittany Cermak
Jordan Bunker

COLORADO RIVER COMMISSION OF NEVADA

MEETING OF

APRIL 11, 2023

INDEX

<u>Agenda Item</u>	<u>Subject</u>	<u>Page No.</u>
A.	Roll Call / Conformance to Open Meeting Law.....	1
B.	Comments from the public. Members of the public are invited to comment on items on the meeting agenda. (No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action)	1
C.	<i>For Possible Action:</i> Approval of minutes of the February 14, 2023, meeting.....	1
D.	<i>For Possible Action:</i> NOTICE OF PUBLIC HEARING AND WORKSHOP PURSUANT TO THE GOVERNOR'S EXECUTIVE ORDER 2023-03 AND NRS 233B TO SOLICIT COMMENTS ON REGULATIONS OF THE COLORADO RIVER COMMISSION OF NEVADA, NEVADA ADMINISTRATIVE CODE 538 (NAC 538) including the consideration of and possible action to approve, modify, or reject, in whole or in part, the proposed revised regulations contained in NAC 538.	1
E.	<i>For Possible Action:</i> Consideration of and possible action to approve Amendment No. 1 to the existing agreement between the Colorado River Commission of Nevada (Commission) and Moss Adams LLP, to extend the contract term two years and provide an increase of \$166,000 to the existing contract for the audits for Fiscal Years 2023 and 2024 with an ending date of June 30, 2025, resulting in a total amount not to exceed of \$286,000.	4
F.	<i>For Possible Action:</i> Consideration of and possible action to approve Amendment No. 2, to the contract between the Colorado River Commission of Nevada (Commission) and Lato & Petrova, CPAs to extend the contract from May 1, 2023, to May 1, 2025, for accounting services to assist with the year-end closing and preparation of the Annual Comprehensive Financial Report.	7

G.	<i>For Possible Action:</i> Consideration of and possible action to approve the Interlocal Agreement between the Colorado River Commission of Nevada (Commission) and the City of Boulder City for the construction of electric facilities in the amount of \$4.5 million.	8
H.	<i>For Possible Action:</i> Consideration of and possible action to approve the transfer from the Colorado River Commission of Nevada (Commission) to the City of Henderson, by Quitclaim Deed, a right-a-way in Henderson, Nevada along Boulder Highway.	10
I.	<i>For Possible Action:</i> Consideration of and possible action to approve the assignment of the contract for legal services between the Colorado River Commission of Nevada (Commission), Office of Nevada Attorney General and Holley Driggs LTD., (Holley Driggs) and assign the responsibilities under the contract from Holley Driggs to Garman Turner Gordon.....	18
J.	<i>For Information Only:</i> Status update on 2023 Legislative Session and related budget matters submitted for approval for Fiscal Years 2024 and 2025.....	19
K.	<i>For Information Only:</i> Update on pending legal matters, including Federal Energy Regulatory Commission or Public Utilities Commission of Nevada filings.....	20
L.	<i>For Information Only:</i> Status update from Staff on the hydrological conditions, drought, and climate of the Colorado River Basin, Nevada’s consumptive use of Colorado River water, the drought contingency plan, impacts on hydropower generation, electrical construction activities and other developments on the Colorado River.	20
M.	Comments from the public. Members of the public are invited to comment on items on the meeting agenda or on items not contained therein. No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action	22
N.	Comments and questions from the Commission members.....	22
O.	Selection of the next possible meeting date.....	22
P.	Adjournment	22

The Colorado River Commission of Nevada (Commission) meeting was called to order by Chairwoman Premsrirut at 1:32 p.m., followed by the pledge of allegiance.

A. Conformance to Open Meeting Law.

Executive Director, Eric Witkoski confirmed that the meeting was posted in compliance with the Open Meeting Law.

B. Comments from the public. Members of the public are invited to comment on items on the meeting agenda or on items not contained therein. No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action.

Chairwoman Premsrirut asked if there were any comments from the public.

Utilities Director with the City of Boulder City Mr. Joseph Stubitz spoke publicly in regard to item G. He commented that so far it has been a real pleasure to work with Mr. Bob Reese, Assistant Director of Engineering and Operations. Mr. Stubitz really views this as a win-win opportunity for the City of Boulder City and the Commission. Mr. Stubitz believes this project is going to be an integral part of our conversion from the 41.60 volts to the 12.5 kv and appreciates the Commission reviewing this item.

C. For Possible Action: Approval of minutes of the February 14, 2023, meeting.

Chairwoman Premsrirut informed Commission members of the receipt of some interlineation reflected on page two and three of the minutes, predominantly non substantive, more language related than substantive. One particularly was clarifying remarks of decreased levels in hydrology and the correlation to the hydropower versus decreased levels in hydropower, which could have been an alternate interpretation. Chairwoman Premsrirut has the interlineations, which will be listed online for everyone, including our members of the public.

Commissioner Puliz moved for approval the minutes of the February 14, 2023, meeting. The motion was seconded by Commissioner Jones and approved by unanimous vote.

D. For Possible Action: NOTICE OF PUBLIC HEARING AND WORKSHOP PURSUANT TO THE GOVERNOR'S EXECUTIVE ORDER 2023-03 AND NRS 233B TO SOLICIT COMMENTS ON REGULATIONS OF THE COLORADO RIVER COMMISSION OF NEVADA, NEVADA ADMINISTRATIVE CODE 538 (NAC 538) including the consideration of and possible action to approve, modify, or reject, in whole or in part, the proposed revised regulations contained in NAC 538.

Chairwoman Premsrirut explained that the purpose of the Public Hearing and Workshop is to take comments from the public regarding the Commissions' regulations. By way of explanation, the public hearing was held in response to the Governor's Executive Order

2023-03. Simultaneously, the Public Hearing is also noticed as a Workshop that meets the requirements of NRS 233B for the regulation change process.

Executive Director Eric Witkoski indicated there are 4 regulations that are proposed for repeal and one refinement submitted by Staff in the public notice to take further comments and any other suggested changes. Following the Public Hearing, a report will be compiled and submitted to the Governor's Office by May 1, 2023, indicating what regulations the Commission recommended for approval, modification, or rejection in whole or in part.

Mr. Witkoski confirmed the Notice of the Public Hearing and Workshop was sent to all the people on the Commission's mailing list and was properly posted on the Commission website, on the Public Notice website, and on the Legislative Counsel Bureau website.

Chairwoman Premsrut opened the Hearing and Workshop to proceed. For the procedure Chairwoman Premsrut asked Mr. Witkoski the following:

- Provide some background on the Executive Order,
- Provide some background on the Commission's past changes to the Commission's regulations,
 - which are available on our website at crcnv.com under "More Information" then under "Statutes and Regulations" tab
- Give an overview of the regulations; and
- Discuss possible changes to the regulations

Following Staff's presentation, Chairwoman Premsrut indicated she would open the Hearing and Workshop for Public Comment:

Mr. Witkoski provided the following background information.

Background on Executive Order:

In January Governor Lombardo issued Executive Order 2023-03 ordering State agencies to freeze the issuance of new regulations and a review of existing regulations. The Executive Order directed agencies to provide a report to the Governor's Office by May 1, 2023, on how the regulations of the agency may be streamlined, clarified, reduced or otherwise improved to ensure the regulations provide for the general welfare of the State without unnecessarily inhibiting economic growth.

The Executive Order requested as part of the report a list of not less than 10 regulations recommended for removal ranking in descending order of priority.

The following regulations are not subject to the suspension set forth in Section 4:

- (a) Regulations that affect the public health; Regulations that affect public safety and security;
- (b) Regulations that are necessary in the pursuit of federal funds and certifications;
- (c) Regulations that affect the application of powers, functions, and duties essential to the operation of the executive branch agency, department, board or commission at issue; and
- (d) Regulations necessary to comply with federal law.

Review of Commission's Regulations - changes.

A. Background on past changes:

In 2018 the Commission performed a review of its regulations and as a result the Commission repealed 11 regulations and modified 8 regulations.

In 2021, the Commission repealed one - NAC 538.060 that had the address of the Commission in the regulation.

In 2022, the Commission changed NAC 538.610 to give the agency more flexibility in how it collected its administrative charge that was assigned to hydropower and market purchase deliveries.

Proposed Changes to the regulations:

1. **Definitions** - NAC 538.025 - Schedule D - move with other definitions (A,B and C) to follow NAC 538.385.
2. **Practice and Procedure** - no changes proposed here.
3. **Marketing of Electric Power**- The Staff is proposing four repeals and one five changes to the Commission's regulations. They are as follows:

As mentioned, NAC 538.025 - Move to follow NAC 538.385. - The regulation defines Schedule D Hoover Power, and the move places the regulations where Schedules A, Band Care defined.

NAC 538.370 - Repeal - This regulation is associated with the uprating at Hoover Dam that occurred in the 1980s. The regulation is no longer necessary.

NAC 538.460 - Repeal - this regulation involves minimum reserves that a contractor of hydropower must maintain. The regulation is not necessary. Reliability standards are no longer voluntary and under the enforcement authority of the North American Electric Reliability Corporation (NERC).

NAC 538.470 - The regulation references capacity for various load factors from the hydropower projects. The regulation is not needed since the load factors made available from the Western Area Power Administration for the hydropower projects are covered in the respective contracts.

NAC 538.495 - The regulation involved offering new contracts from the Boulder Canyon Project (Hoover) prior to October 1, 2017. The requirement was met, and the regulation is no longer required.

4. Federal Contracts for Water and Appropriations -

- a. Don't see any changes currently necessary and in consultation with Southern Nevada Water Authority Counsel, they agreed.

Mr. Witkoski summarized the regulation changes made in the past and the proposed changes.

Repealed 11 in 2018,
Repealed 1 in 2021; and
4 more proposed today for repeal - as part of this Hearing/Workshop

In total that is 16 regulations repealed over the last few years.

Mr. Witkoski believes the proposed changes are meeting the intent of the regulations review that was requested by the Governor's Office in Executive Order 2023-03.

Chairwoman Premsrirut opened the Hearing for Public Comment. She asked anyone wishing to comment on the proposed regulation changes or make other comments on the regulations please come forward and state their name for the record.

No comments were received.

Chairwoman asked the Commissioners if they had any questions or comments.

No comments or questions were received.

The Public Hearing was closed.

Vice Chairwoman Kelley moved for approval the NOTICE OF PUBLIC HEARING AND WORKSHOP PURSUANT TO THE GOVERNOR'S EXECUTIVE ORDER 2023-03 AND NRS 233B TO SOLICIT COMMENTS ON REGULATIONS OF THE COLORADO RIVER COMMISSION OF NEVADA, NEVADA ADMINISTRATIVE CODE 538 (NAC 538) including the consideration of and possible action to approve, modify, or reject, in whole or in part, the proposed revised regulations contained in NAC 538. The motion was seconded by Commissioner Puliz and approved by unanimous vote.

<p>E. <i>For Possible Action:</i> Consideration of and possible action to approve Amendment No. 1 to the existing agreement between the Colorado River Commission of Nevada (Commission) and Moss Adams LLP, to extend the contract term two years and provide an increase of \$166,000 to the existing contract for the audits for Fiscal Years 2023 and 2024 with an ending date of June 30, 2025, resulting in a total amount not to exceed of \$286,000.</p>

Chief of Finance and Administration Douglas Beatty explained the Commission's contract for annual financial audit services (including internal control review) will expire in July of 2023. The contract is required to provide publication of the Commission's Annual Comprehensive Financial Report (ACFR), audited in accordance with Governmental Auditing Standards as required under bond covenants applicable to the Commission's existing General Obligation Bonds currently outstanding.

Based on the services provided by Moss Adams for the past two years and the successful completion of audit services and publication of the ACFR for both fiscal 2021 and 2022 Staff requested the required information from Moss Adams and developed the proposed amendment. The contract amendment anticipates ongoing audit and internal control review services for the fiscal years 2023 through 2024.

The amendment anticipates the same tasks as the original contract which are: the annual financial audit of the Commission's books and records, including review of internal controls as required, assistance with the development of the ACFR, assistance with key accounting entries for ACFR purposes, and assistance with new accounting pronouncements.

The total amount authorized under the original contract was \$120,000 for the audit of 2021 and 2022, which has been completely exhausted, and the estimate provided for the next two years is \$166,000. This represents an additional \$46,000 for the upcoming two-year period over the cost incurred for the first two-year period. The increase is estimated to be \$20,000 for the audit of fiscal 2023 and \$26,000 for the audit of fiscal 2024.

Moss Adams' cost proposal has been reviewed and the increase in costs is consistent with general inflationary costs seen in other areas of expenses and includes costs for travel to provide substantial services at the Commission's offices (they were able to spend some time with us at the office in 2022) and costs for additional assistance with the implementation of new accounting pronouncements and publication of the financial statements. These costs are dependent on the time spent with us in our offices and the extent of assistance provided with new pronouncements and statement development. Extensive help was provided by Moss Adams during implementation of the new GASB lease standard and the evaluation of other standards required in fiscal 2022. This assistance allowed staff to successfully implement the standards without any significant difficulty or audit impact.

In addition, the hourly rate for audit staff has increased for all the audit team members. This increase appears consistent with the need for staff development and retention for the contractor. Staff appreciate the continuity of audit team members as this greatly decreases the level of effort required to educate and provide information to the audit team.

In January of 2021, Staff requested that the Purchasing Division of the Nevada State Department of Administration conduct a request for proposals for audit and accounting services for the Commission's books and records. The Purchasing Division, in accordance with state regulations and with input from Commission Staff, developed a scope of services for the annual audit and internal control review and issued a Request for Proposals. The Request for Proposals was released January 15, 2021, with bidders' responses due on February 16, 2021. The Purchasing Division published the request on the applicable State and Purchasing websites and contacted qualified accounting firms in their database and staff furnished information on additional other firms to contact.

The proposals were provided to a review team consisting of three members of Commission Staff (two from the accounting group and one from the energy services group), one Commission Customer Representative and one from another state agency. The review team was tasked with providing a review and numeric scoring of each of the proposals as they addressed the five Solicitation Evaluation Criteria. The review team completed the task and recommended that the contract be awarded to Moss Adams LLP.

The Purchasing Division developed the draft contract based on the State approved form, obtained signatures from the winning bidder, and provided final copies to Staff to present

to the Commission for final approval. The Request for Proposals anticipated a possible four-year contract, but as suggested by the Purchasing Division and in agreement with Staff the original contract was awarded for an initial two-year period subject to an extension amendment for an additional two years. If an extension was to be requested, Staff would bring back the contract to the Commission for approval with additional funding for two more years.

Staff recommended the Commission approve the contract amendment and authorize the Executive Director to sign it on behalf of the Commission.

Chairwoman Premsrirut commented that as this item was agendaized there is an increase in the amount that Moss Adams will be charging. However, from her understanding and the comments brought back by the financial and audit subcommittee, the rapport, the relationship and service received from Moss Adams is acceptable to Mr. Beatty.

Mr. Beatty added some information regarding this Agenda Item. Staff has been anticipating being able to renew this contract given the good working relationship with Moss Adams LLP. The proposed increases have been reviewed and Staff find them in line with what is seen in the market. Mr. Beatty discussed the increases with Mr. Keith Simovic with Moss Adams and was told that there are some increases related to travel, as Moss Adams plans on being at the Commission's main office for the next two years more than in the past. However, an audit is labor intensive, and the bulk of the costs are for the Staff members assigned to the audit. Staff has seen increases in the billing rates across the board, which are in line with what Staff has seen in the market for accountants.

The current market has a shortage of accounting graduates and many accounting personnel are leaving the profession. Moss Adams has increased their salary levels to retain experienced Staff members. Staff does appreciate them trying to retain their Staff, by providing incentives and competitive salary levels. Therefore, not a lot of training was needed in the second year and that is appreciated.

A little bit of review with the recruiting information firm of Robert Half was done online to see how their salaries range with other accounting firms and Moss Adams seems to be a little bit above the median of the pack. Mr. Beatty believes they are in line with other accounting firms, and certainly pleased with their performance.

Chairwoman Premsrirut commented that a lot of the Commission members heads were nodding in agreement when Mr. Beatty stated that there are shortages with accountants as she has experienced that in her business world and that Commissioner Puliz believes there are some shortages of accountants as well.

Vice Chairwoman Kelley added that Mr. Beatty was helpful in the briefing conversation by ensuring that Staff did not take the increase with the assumption that businesses are experiencing labor increases. Furthermore it is appreciated that Mr. Beatty took the extra time to verify that the increases were commensurate with what the market is paying so that there would not be any concern amongst the public that the Commission might be paying more in order to subsidize any contract.

Chairwoman Premsrirut also thanked Mr. Beatty, adding she has known him for about ten years now and she believes it is just a given that Mr. Beatty exercises the most diligence with everything he does and wanted to let him know that it is not taken for granted.

Commissioner Jones moved for approval the Amendment No. 1 to the existing agreement between the Colorado River Commission of Nevada (Commission) and Moss Adams LLP, to extend the contract term two years and provide an increase of \$166,000 to the existing contract for the audits for Fiscal Years 2023 and 2024 with an ending date of June 30, 2025, resulting in a total amount not to exceed of \$286,000. The motion was seconded by Commissioner Kirkpatrick and approved by unanimous vote.

F. *For Possible Action:* Consideration of and possible action to approve Amendment No. 2, to the contract between the Colorado River Commission of Nevada (Commission) and Lato & Petrova, CPAs to extend the contract from May 1, 2023, to May 1, 2025, for accounting services to assist with the year-end closing and preparation of the Annual Comprehensive Financial Report.

Mr. Beatty explained this request is for a two-year extension of an existing contract with no increase in the amount of the contract. There is \$8,000 remaining on the contract and only \$2,000 was used in calendar year 2022. We expect the remaining amount to be sufficient for the two-year extension period for the assistance needed.

Approximately five years ago the Commission joined with the State Controller's office as they issued a request for proposal for year-end financial statement preparation software. The Controller's office was moving from an outdated year-end financial preparation software that they had been using to prepare the State's ACFR for many years to a new system. The Commission joined with that request and purchased the system chosen and adopted by the controller. The software is called CaseWare and both the Controller's Office and the Commission have been using the system to assist with preparing the year-end financial statements.

The software was used to produce the basic financial statements for the first three years but is capable of much more than has been utilized. The software is capable of producing in final print format, the complete ACFR, including the basic financial statements, footnotes, supplementary tables and schedules, management discussion and analysis section, letter of transmittal, and all other required portions of a full ACFR. However, Staff were not able to fully utilize the system's capabilities without additional assistance.

In April of 2021 Staff entered into a contract for the necessary accounting assistance with the CaseWare program with Lato & Petrova CPAs, LTD. The contract form was developed by the State Purchasing Division for professional services at a cost not exceeding \$48,500. The contract provided for assistance with the year-end final closing entries and help with the upload of transactional data as necessary, and then help with further developing the footnotes, schedules, and narrative portions of the ACFR within CaseWare.

This contract was approved by the Commission at the April 13, 2021, meeting and provided for the assistance of Martha Ford in the creation of the template for the Annual Comprehensive Financial Report (ACFR). Martha Ford worked closely with the accounting staff, and we successfully completed the first in-house annual financial report for the year ended June 30, 2021.

The contract originally anticipated modification of the then existing template but as the work started it became clear that creating a completely new template was necessary. The old template was overly complicated and would require unnecessary effort to roll the balances forward and make changes needed in succeeding years. As a result, the original contract amount of \$48,500 was almost completely exhausted in the effort and an additional \$10,000 was added to the contract in amendment #1 in August of 2022.

The audit for fiscal 2022 is now complete and only \$2,000 of the additional funding was needed to assist staff with the audit and completion of the financial statements. The contract currently has approximately \$8,000 remaining but will expire on May 1, 2023.

Staff is currently posting this year's transactions and anticipates the need for minimal assistance with completing the audit for fiscal 2023 and again in 2024. Staff believes that the time-only extension for the next two years will be adequate and anticipates some additional changes and a formatting effort may be needed but this effort should be similar to that needed to complete the 2022 statements.

Chairwoman Premsrirut asked Mr. Beatty just to summarize if the \$8000 remaining on the contract will roll into the next four-year contract.

Mr. Beatty responded that it would roll into the contract and only two more years are being requested.

Chairwoman Premsrirut asked if the \$58,500 will be the four-year total with two years remaining and the \$8000 is included in that amount.

Mr. Beatty responded yes. That will be the four-year total.

Commissioner Winterton moved for approval Amendment No. 2, to the contract between the Colorado River Commission of Nevada (Commission) and Lato & Petrova, CPAs to extend the contract from May 1, 2023, to May 1, 2025, for accounting services to assist with the year-end closing and preparation of the Annual Comprehensive Financial Report. The motion was seconded by Commissioner Kirkpatrick and approved by unanimous vote.

<p>G. <i>For Possible Action:</i> Consideration of and possible action to approve the Interlocal Agreement between the Colorado River Commission of Nevada (Commission) and the City of Boulder City for the construction of electric facilities in the amount of \$4.5 million.</p>

Assistant Director of Engineering and Operation, Robert Reese explained that the City of Boulder City (Boulder City) has requested assistance from the Commission's Power Delivery Group (PDG) to design and construct substation improvements for Boulder City's

Utility Division that provides electricity to its community. The proposed Interlocal Agreement would require the Commission's PDG to design and construct the improvements needed by Boulder City.

By way of background, an Interlocal Agreement provides that any one or more public agencies may contract to perform any governmental service, activity or undertaking which any of the public agencies entering the contract is authorized by law to perform (NRS 277.180). The Commission has authority to construct a facility for the generation and transmission of electricity under NRS 538.166.

Under the Interlocal Agreement, the Commission proposes to purchase materials, design, and construct facilities for Boulder City depicted in the Scope of Work. The Commission will purchase materials, design and construct the Facilities and Boulder City would fund the cost not to exceed \$4.5 million of the Commission's purchase of materials, design and construction of the Facilities.

Boulder City's City Council is voting the same day as the Commission on the Interlocal Agreement. If the Commission votes to approve the agreement, Staff recommended that the Commission make its approval conditioned on the requirement that Boulder City's City Council approves the Interlocal Agreement in substantially the same form as presented to the Commission.

Commissioner Stewart asked if \$4.5 million is just an estimate at this point, given the current market conditions and similar projects, if understood correctly.

Mr. Reese responded that is correct. The Commission has actually worked with Boulder City and reviewed the scope of work to agree on the projects estimate. Mr. Reese added some background information stating that a project was completed in 2010 for the Clark County Water Reclamation District, where Staff actually designed, built and constructed three facilities under an Interlocal agreement. Staff anticipates doing the same thing with the City of Boulder City.

Commissioner Stewart commented that this sounds like a complete turnkey package.

Mr. Reese responded, yes. It will be from design to commissioning of the substation.

Commissioner Stewart commented that his concern is if the Commission begins construction and costs continue to rise, such as inflation, supply chain, and all other cost related things, while he is confident that Mr. Reese has a pretty good handle on it, but given the fluctuation of the market, what if it ends up being more than \$4.5 million. It is his assumption that Staff will go through the design, the procurement and Request For Proposal process and then will come up with a hard and fast number.

Mr. Reese responded Staff will complete the procurement process, and then have a better handle on the exact amount and if there are ever any overruns, Staff will have to get the approval from the City of Boulder City and the Commission for more funding.

Chairwoman Premsrirut stated that she noted in the agreement that the \$4.5 million does not include what City of Boulder City has spent currently on materials and designs. Chairwoman asked if they have already started investing in this.

Mr. Reese responded that the City of Boulder City has not. This is actually at the conceptual stage. Once the interlocal agreement is approved, the design process will start.

Chairwoman Premsrirut commented that the Commission has such a talented Power Delivery Group. It is nice that Mr. Reese is able to share his knowledge and branch out and help other members of our community.

Commissioner Stewart moved for approval the Interlocal Agreement between the Colorado River Commission of Nevada (Commission) and the City of Boulder City for the construction of electric facilities in the amount of \$4.5 million. The motion was seconded by Commissioner Puliz and approved by unanimous vote.

<p>H. <i>For Possible Action:</i> Consideration of and possible action to approve the transfer from the Colorado River Commission of Nevada (Commission) to the City of Henderson, by Quitclaim Deed, a right-a-way in Henderson, Nevada along Boulder Highway.</p>
--

Item H was converted from *For Possible Action* to *For Information Only*.

Executive Director, Eric Witkoski, reported that Staff found additional information for agenda item H. The agenda item became an official *For Information Only* so more details could be presented at the next tentatively scheduled meeting to be held on May 9, 2023.

City of Henderson (Henderson) Public Works representatives Mr. Michael Kidd and Ms. Kristen Kaminski were present at this meeting and were asked to provide some background information regarding the property for this agenda item.

Mr. Kidd stated, per the onscreen exhibits (exhibit), the highlighted green section or the portion that Henderson is asking for was not conveyed forward in 1952 when the rest of the surrounding property was conveyed out of the Colorado River Commission's (Commission) ownership. It was held back reserved with that transfer, so it still lies with the ownership of the Commission.

Henderson is in the process of getting the Boulder Highway portion within Henderson transferred from Nevada Department of Transportation (NDOT) to the City of Henderson. This started the process of Public Works looking at all the underlying fee ownership and reaching out to all those landowners. This is the last remaining piece that has yet to be transferred to Henderson for fee ownership. This was a little bit of history on what the strip or property is and how it came to be kind of a remnant piece since the early 1950s.

At this time, Mr. Witkoski handed out copies of the deed dated June 1, 1952, to members of the Commission.

Commissioner Winterton thanked Mr. Kidd for being present and asked for the approximate size of this parcel.

Mr. Kidd responded roughly 115 acres.

Commissioner Winterton asked if the green strip on the exhibit representative of the parcels, 115 acres. He asked about the approximate width of the parcel.

Mr. Kidd responded the width is roughly 400 feet.

Commissioner Winterton commented that the parcel is generally about 400 feet in width and approximately 115 acres total and the parcel's location comes down Boulder Highway and goes up East Lake Mead Parkway.

Mr. Kidd, responded, correct.

Commissioner Winterton asked if it is the City of Henderson's intent, according to his understanding, to make the Boulder Highway narrower.

Mr. Kidd responded Henderson has the "Reimagined Boulder Highway Project" (Project) in design heading to construction early 2024. The edges of the existing pavement and traveling as exists today are probably or most likely staying in that location. They are going to be adding center, running transit. There will be remnant pieces on the outside of that. Mr. Kidd confirmed that what Mr. Winterton is alluding to is correct. There will be, and those tend to end up being spike strips as we kind of call them, where you are separated from the adjacent ownership and there is reasons or thoughts, if it is in Henderson's ownership, Henderson is able to handle the adjacent development a little easier.

Commissioner Winterton asked Mr. Kidd if it is his understanding that currently there is a NDOT easement that encumbers this entirety or is he aware of any portion of this parcel that is not encumbered by an easement.

Mr. Kidd responded yes. It is fully encumbered by the rights that NDOT has for highway use.

Commissioner Winterton added that it is essentially shoulder, probably reserved for easements, that type of thing and asked if that is a good description of the property.

Mr. Kidd responded it is a good description. He stated that back when the corridor was first put in place, they were granting wide swaths, not knowing exactly what it was going to grow up to be. That is what we live with today.

Commissioner Winterton asked if when the Reimagine Boulder Highway Project is done, the portion of green, does Mr. Kidd believe that any portions of that would be needed or anticipated to be developable at any point, or is it strictly going to be used for shoulder pieces to the road. He asked if there is any portion that could be beyond and needed to be incorporated into some developable fashion.

Mr. Kidd responded that, that is a very good question. Some portions of the areas outside the existing edge of pavement will be used for trail pathway purposes. There will be property outside of that which could be used for or by the adjacent developer. Either carved up and absorbed into their property or giving them permission for use if there is no structure just for flat work, part of their parking lot. The Reimagined Boulder Highway Project within the City of Henderson is trying to get development and buildings closer to the actual road, that is what a lot of that edge could be absorbed with the adjacent development.

Commissioner Winterton repeated for clarification, if Boulder Highway gets narrower, the goal is to try to bring commercial in, similar to what he believes was told yesterday, sort of like a Maryland Parkway, an Eastern, or Stephanie streets for example. Where Boulder Highway gets a little narrower and has commercial on both sides versus what it is today, which is just great distance between the highway and the parcels.

Mr. Kidd responded that is correct.

Commissioner Winterton asked a follow up question for clarification about the possibility that Henderson, one day, might be in a position to do some type of an agreement with private property owners on some of this land and would possibly need to do an outline of adjustments or variations to make that commercial piece feasible, it that fair to ask.

Mr. Kidd responded yes, that is correct.

Commissioner Kirkpatrick commented that this makes her nervous having seen a lot of cities getting the roadways nowadays to complete or expand their horizons from where they are currently. She pointed out Mount Charleston, for example, getting all the roadways. NDOT would like to give up the roadways at this point which is great because it is hard for them to manage, but for clarity, she asked if this entire green segment is within the City of Henderson.

Mr. Kidd responded, yes.

Commissioner Kirkpatrick added and asked what happens on Clark County's side. Henderson goes to a certain spot, then it becomes the Clark County Boulder Highway and then at some point it actually becomes the City of Las Vegas. As a whole, what is the long-term goal for Boulder Highway.

Mr. Kidd responded that he does not have a view of what Clark County's may view once it leaves Henderson.

Commissioner Kirkpatrick responded that, that is the problem. If everybody could work together it would be ideal.

Mr. Kidd responded it is his hope with what City of Henderson does with their Reimagined Boulder Highway Project, sets a tone, and gives a look that people find attractive wanting to continue to perpetuate that going North. At the northern boundary, which is where the center running transit will transition back to the normal edge running transit that exists on Boulder Highway today.

Chairwoman Kirkpatrick asked if that transit would fall under the Regional Transportation Commission (RTC) and be heard from there.

Mr. Kidd responded yes. That is a RTC function.

Commissioner Kirkpatrick stated she is uncomfortable with it but will see what anybody else has to share.

Commissioner Winterton stated he has looked at it, studied it, talked to several people in the City of Henderson and thinks generally from his position that it is a great Project. It is something that we all want to see happen. It is something that needs to happen. Our job from this Commission is to understand to the extent that this land may or may not have value as we sit here today, we do not have that information.

Commissioner Winterton also added that it is possible that today in its current state it does not, but at some point, in the future, it may. The Commission's job right now is to just better understand how we can work with Henderson and make sure the Project is moving forward. At the same time, making sure that the Commission does not do something or unintentionally convey land which would not be responsible as a Commission to do. If is an asset or not.

Commissioner Winterton further stated that his first instinct when looking at it, it is not an asset because it is encumbered completely. Nothing can be done with it, so today in its current state the Commission literally could do nothing with this land because it is all encumbered with easements. That being said, once remapping happens and everything happens in the future, that is going to change everything. The easements will come off, there will be parcels, there will be remnant parcels, and all of that.

Commissioner Winterton asked Mr. Kidd, if the Commission could, what does he think would be the easiest way to analyze that. Is that something that the Commission needs to do. Is that something the City of Henderson can help the Commission with. How could the Commission gain more information, primarily regarding the potential value. An analysis that with assist us as representatives of the Commission to make sure good and informed decisions are made for both Henderson and the Commission to get us where we need to go at the end.

Mr. Kidd responded that the City of Henderson would be happy to help put any of that information together. One, we can share with you how we are viewing that corridor, we can get you that information. As far as our thoughts, we have some developers that have already approached us, and we are currently working with outside of this area to absorb that excess right of way if you want to call it that and end of their Project. Staying with the Commission, if that is a decision after we give you that information, then the Commission basically would be approached by all those developers that could possibly come to us. We would send the developer to Commission Staff for the disposition of that excess property, if that is something Commission is interested in being involved.

Commissioner Winterton asked for City of Henderson's timeline.

Mr. Kidd responded that the City of Henderson has all the road rights needed for the Reimagine Boulder Highway Project. The City of Henderson is not missing any road rights, so there is no concern about missing anything needed for Boulder Highway. The adjacent development is what City of Henderson is trying to streamline, making it a little bit easier for those adjacent developers, but if we have any information the Commission would like to see, the City of Henderson has put together how they view it and how they are looking at that excess property and would be more than happy to provide that information.

Commissioner Winterton asked has that analysis been done yet, is there any mapping or anything that would suggest which parcel specifically maybe in the future wanting to be absorbed by developers. Mr. Winterton asked Mr. Kidd if he has already done that.

Mr. Kidd responded that they have to a certain point. The vacant land or the people that are looking to develop right now or expand their property are in a much better position than the stuff that is adjacent to the townsite homes or commercial development, that is old, stagnant, and does not seem to have much movement with it right now. Probably not going to see a whole lot with that, but there is interest along that corridor for the vacant property or some of the existing property that people are looking and have already approached us for other developments.

Commissioner Winterton recommendation is to gather more information, he did not believe the Commission has enough information to make any decisions. Commissioner Winterton looked to Commissioner Dan Stewart, as a Councilman with the City of Henderson because the goal has to be to help Henderson move forward, but the Commission may want to work closely with Henderson to truly understand.

Commissioner Stewart responded that he could not agree more. If this is an asset and it is valuable, there is some value to the Commission, then we need to make sure that we as a body, capture that value. Commissioner Stewart thought he understood this clearly, but apparently there is more to it. Commissioner Stewart asked if the easement is owned by NDOT for the highway itself and the property itself, fee simple is owned by the Commission.

Mr. Kidd responded that part of it is the Commission. There is a mix of about a half a dozen property owners along that corridor. The last one, all the others have transferred their property rights to us. A lot of them see it as a liability. Yes, it is an asset with value at some point, but it is also a liability.

Commissioner Stewart responded that he thought the City of Henderson was getting the easement back from NDOT.

Mr. Kidd responded that the easement rights for the corridor are being transferred to the city of Henderson, yes.

Commissioner Stewart asked what gives the City of Henderson the right to construct anything on Commission's property, other than that easement. The City of Henderson gets the easement transferred from NDOT, which gives Henderson the right to build transportation.

Mr. Kidd responded to build transportation amenities; roadways, trails, anything that is transportation related, yes.

Commissioner Stewart asked that to put this in more realistic terms would you say it is about 400 feet Right of Way.

Mr. Kidd responded, correct.

Commissioner Stewart commented that once the City of Henderson's Reimagined Boulder Highway Project is done that is probably 250 or 300 feet, so we are talking about slim slivers of 50 to 100 feet along Boulder Highway that nothing structurally could be built, it would only be for trails, maybe for parking, and for adjacent commercials such as that, is that a fair statement.

Mr. Kidd responded that slivers would be 50 to 70 feet wide on each side, yes.

Commissioner Stewart responded that he just wanted to make sure that the Commission understands we are not talking about a developable piece of ground. Although there could be value to an adjacent commercial enterprise that needs parking or something like that, which definitely adds value.

Mr. Kidd responded that it was not valuable as a developable parcel standalone by itself. But if absorbed by the adjacent development the City of Henderson's desire is to get the buildings closer to the actual Boulder Highway. Just using them for parking is great to get them to absorb it, but Henderson is really trying to get the buildings closer to Boulder Highway.

Commissioner Puliz commented that the Commission is not in the development business and asked Mr. Witkoski for concurrence. The County Commission has a good idea of what the City of Henderson is doing, but he does not think the Commission should be in the land development business. Commissioner Puliz stated that would be his point as part of this Commission, to turn it over to the County Commission if the Commission is worried about someone managing, because they do that for a living. Commissioner Puliz does not believe that Commission and Staff is really set up to have all these developers coming to them asking for slivers of land.

Chairwoman Kirkpatrick stated she is more likely to follow Commissioner Winterton; lead to hold this but at the same time she stated that the Commission should not be in the land development issues. However, there is a state process if we go that route where you actually have to go out to auction, get appraisals, do all of those things, but at the same time we need to better understand, it is an asset. This is a possible transfer that is not following the state process. If we are going to get out of business and just take auction like we do with every other sliver that is out there.

Commissioner Kirkpatrick continued with a comment that Henderson expects the Commission to work together on this. Maybe the Commission needs more information to determine if it is in the Commission's best interest to go to auction, just like Clark County does with every remnant that they have. In Nevada's History of 1950s, they kind of took more than they needed because nobody really knew what we were supposed to take. If

remembering correctly there was the Helldorado parade along that stretch, there used to be a GemCo and an Albertson's. Knowing the stretch and knowing why it was done that way because it was an entryway into the valley, as there were no freeways, or any of that stuff she is uncomfortable transferring it without knowing what value added that it is to Commission.

Commissioner Kirkpatrick would rather wait, rather than saying no, she most likely is saying no for today and go to the public auction process which then the value is going to escalate, but the dollars are going to go back to the Commission. She would rather wait and work with the City of Henderson to get some more information about what that looks like. She asked Commissioner Jones what the RTC knows about the Project as well as Commissioner Gibson, so I just want more information myself.

Commissioner Jones responded that RTC is partnering with the City of Henderson on this Project. Commissioner Jones received a substantial amount in federal grant funding for this Project and it is a RTC priority. As for the land, RTC is not invested in that, they are just invested in what is on top of the land.

Commissioner Winterton asked a few follow-up questions to Mr. Kidd; fast forwarding this it only has value to certain people in very limited places and it is typically as Mr. Kidd mentioned remnant adds on to an existing private property owner, what is Henderson process. For example, if we were to go forward and Henderson were to do this, is it typical that you would then appraise that land and sell it to that individual user. How does Henderson handle that, just assuming the Commission were to go forward.

Mr. Kidd responded, depending on the benefit of the particular project it could be the market value, or it could be a \$0.00 transfer depending on the justification for that. There is a variety of mechanisms to absorb that strip of property.

Commissioner Winterton responded, so it is a case-by-case basis.

Mr. Kidd responded yes.

Commissioner Winterton responded that just to be clear as far as public auctions and things, there is very few buyers for this. These are going to be little, tiny slivers that are going to add a little extra to a parking lot, or maybe an access point off the road. These are going to be very, very specific to make the Project complete. Almost like a puzzle, they are going to be little missing puzzle pieces. And what is going to happen is when this is all designed, Henderson is going to end up with series remnant parcels. They are going to end up with a series of remnant parcels that then developers are going to be trading either for value or whatever through the process. Mr. Winterton believes is a little simpler. He does not know if it is necessarily a public auction, or if Commission must go through the process. He thinks what it is, is if there is value, how does the Commission figure out how to capture that value and bring that revenue back to the Commission if it is an asset.

Commissioner Winterton asked to Mr. Kidd; is that something Henderson would be willing to work for us, up to this point, the Commission is not developers. The Commission does not want to be dealing with them but would there be a way to capture any value through

some kind of an agreement with Henderson that could come back to the Commission, Mr. Winterton asked if that is a simple way to deal with this.

Mr. Kidd responded he believes that is possible. He does not see an issue with that. Anything they could do. Mr. Kidd could see where Mr. Winterton would not necessarily want to get into the development business and be dealing with those individual developers but keep the underlying fee ownership of the property. The proceeds could come to the Commission. Mr. Kidd believes there is an agreement that could probably be put in place. He Believes it is possible with is being described.

Commissioner Winterton commented that he thinks the biggest question is the state requirements for the Commission transferring land. Those are all things that the Commission will need special counsel to advise us on because even the ability to start a conversation with Henderson, we have to understand what the Commission's right or ability is to even transfer an asset without any of that information up front. So, we are going to need some direction for when there is going to be a state process of transferring land, then there is going to be agreement at the back end. Then there is going to be value and I can say it is complicated, but it is a little bit complicated, but I generally think it is something we should work on and try to make happen.

Vice Chairwoman Kelley commented that she has a lot of questions, most of which were raised, so she will not reiterate those. Her initial question was to the point Commissioner Kirkpatrick referred to, what is the process. Our responsibility is managing and maintaining our resources, and this is a resource of the Colorado River Commission of Nevada and believes it should be looked at as such.

Vice Chairwoman Kelley is looking for more guidance, both historical and perhaps otherwise. Asking the question in the first place, is it necessary for us to disburse, using layman's terms and not terms in the development arena, as well as how to properly as Commissioners of this body, properly be stewards of this state resource. With that she is of the opinion that more information is needed and will look forward to hoping that information continues to give comfort on a future decision.

Chairwoman Premsrut commented that to summarize irrespective of what side of the issue or the agenda item the Commissioners fall on, she believes the consensus additional data points are absolutely necessary and mandatory, not just because at least personally, for her, in the 10 year she has served on the Commission, a real property asset issue and transfer has not come up, so this is something entirely novel to me as a Commissioner and believes she can speak for the entire Commission, our board, that we have never addressed those type of issues. She believes from a procedural posture, what the interlocal procedures as well as the state guidelines, if there are any we need to follow, I think I would like to tee that up for Counsel to explore and brief us. Additionally, we did receive as part of this agenda summation a very short analysis in a very short blurb on what consideration is. Chairwoman Premsrut would urge Staff to flesh out those two prongs considerably, even though there may not be a reason to retain the Right of Way, let us explore what reasons there would be for to out rule any possibility for that. Mr. Kidd, she is not saying this is something she would not support down the road. I think at this juncture we just do not have enough information. And then with respect to consideration, we have heard different methodologies and valuation approaches. I mean it is a simple appraisal, not out of the

question. I do not think I have seen a real property transfer or purchase without even having a basic appraisal, and we could throw that to the experts and potentially use that as something to rely on to determine whether or not there is adequate consideration. And perhaps you know the land or the parcels to be subject to the deed essentially would have no economic realization, unless you hold a larger piece. She does not know, and states, she not a real property expert in that regard. Chairwoman Premsrirut would just suggest perhaps a light appraisal, somebody who is versed in that, whether it be commissioned by the City or by us, or jointly, just so we both understand what we are looking at before we commit to some type of transfer. Those were Chairwoman Premsrirut remarks. She is not sure if that prompted anything further. She believes the sentiment is to transform to an information item to do a little bit more due diligence to come back and determine whether this is something that the Commission would entertain as an agenda item and address it again at another time possible in May, if that is sufficient time for everyone to do their proverbial homework.

Mr. Witkoski commented that it might take longer but are going to try. It could be a month or two.

Chairwoman Premsrirut commented that after hearing from Mr. Kidd please correct her if she is wrong, there is no imminent sense of urgency. We do have 60 to 90 days to explore these issues. She asked Mr. Kidd if that would be handicapping or paralyzing his work.

Mr. Kidd responded that, that does not handicap them in any way, it sounds very reasonable.

Commissioner Winterton commented that he would like to volunteer. Mr. Winterton understands this a matter of work and would be more than happy to volunteer to work with Staff and with the City of Henderson between now and the next meeting just to try to organize our thoughts. So, when we come back, it might help everybody, just have a little better situation. He has a good relationship with City of Henderson and might be able to volunteer and put a little extra time in to help.

Chairwoman Premsrirut responded, she would welcome that given Commissioner Winterton's comments and questions. Mr. Winterton clearly has strong insight into the pivotal issues that need to be addressed and she has never been one to object to someone else taking the laboring.

Commissioner Winterton responded that as long as he does not have to be on the accounting side, he can help on the property side.

<p>I. <i>For Possible Action:</i> Consideration of and possible action to approve the assignment of the contract for legal services between the Colorado River Commission of Nevada (Commission), Office of Nevada Attorney General and Holley Driggs LTD., (Holley Driggs) and assign the responsibilities under the contract from Holley Driggs to Garman Turner Gordon.</p>

Mr. Witkoski explained that on November 8, 2023, the Commission entered into a contract with Holley Driggs LTD., (Holley Driggs) for legal representation in the Basic Water Company (BWC) bankruptcy matter. In early March 2023, Mary Langsner, lead counsel for the Commission in the BWC matter at Holley Driggs, informed Staff that she was

leaving Holley Driggs to work for Garman Turner Gorman and offered to continue representing the Commission in the BWC matter at her new firm.

In consultation and discussions with Commission's Special Counsel, Staff determined that given Ms. Langsner's knowledge of the case and surrounding circumstances, that it would be in the best interest of the Commission to seek an assignment of the contract from Holley Driggs to Garman Turner Gorman to allow Ms. Langsner to continue to represent the Commission in the BWC matter. Holley Driggs did not object to the assignment of the contract.

The essential terms of the contract remain the same, including rates for representation. The only changes were to substitute contacts at Holley Driggs to those from Garner Turner Gorman. Staff is still working through the Attorney General's office, getting the transfer documents in place

Chairwoman Premsrirut commented that she has no problem substantively, just wanted to inquire with Special Counsel as to is Mary Langsner the sole individual that Counsel has been working with for this particular matter or were there other attorneys at Holley Driggs relied on.

Special Counsel David Newton commented, for the record, we have only worked with one attorney, for the most part. There were a couple of people at Holley Driggs that did title searches and reviewed titles but in terms of court appearances and discussions with himself updating where we were, it was Ms. Langsner.

Commissioner Winterton commented that he was a little bit involved and some research. After talking to Counsel and to Mr. Witkoski he came to the same conclusion that, Ms. Langsner is the right attorney. Having spoken with the partners at Holley Driggs, he confirmed they are comfortable with the transfers. Mr. Winterton supports the transfers.

Chairwoman Premsrirut commented that personally, she has had interactions both on the same side of the fence or opposing counsel with the Garman Turner Gordon Firm and they have always been very professional, collegiate and competent. Chairwoman Premsrirut is comfortable Garman Turner Gordon, as well.

Commissioner Jones moved for approval the assignment of the contract for legal services between the Colorado River Commission of Nevada (Commission), Office of Nevada Attorney General and Holley Driggs LTD., (Holley Driggs) and assign the responsibilities under the contract from Holley Driggs to Garman Turner Gordon. The motion was seconded by Commissioner Winterton and approved by unanimous vote.

J. <i>For Information Only: Status update on 2023 Legislative Session and related budget matters submitted for approval for Fiscal Years 2024 and 2025.</i>
--

Mr. Beatty provided an update and stated that as Mr. Witkoski had mentioned, we did have Staff closing on the fifth. As we concluded the final phase of the budget process, our new LCB Fiscal analyst, who was new to the agency and assigned to the Commission at the last minute, did a very good job jumping in to help with putting together the Governor

Recommended Budget. Our Governor's Finance Officer moved from the Governor's Finance Office to another state agency just as we started the Governor Recommended phase but agreed to help finish the budget request. We had a number of rounds of questions from both of those individuals, which we answered in detail. This work resulted in a budget that was well delineated, clearly articulated, and nicely vetted. With that result the LCB fiscal Staff indicated that there were no remaining major questions or concerns and indicated that there was no reason for a hearing on our budget, and so they scheduled a Staff closing for it. That happened on the fifth before the finance subcommittee. There was only one minor question from a committee member, and it was answered by a fellow committee member. We are looking forward now to the full committee accepting the subcommittee's recommendations and closing our budget as proposed by the governor.

<p>K. <i>For Information Only: Update on pending legal matters, including Federal Energy Regulatory Commission or Public Utilities Commission of Nevada filings.</i></p>

Special Counsel Attorney General David Newton updated three pending legal matters.

Save the Colorado v. Dept. Of the Interior (LTemp)

The decision in that matter was appealed to the 9th Circuit in January. The only thing that has occurred in the case up to now is that the mandatory mediation was cancelled because it is believed or assumed that enough parties sent back, that they didn't think mediation was going to be of any value. We are just waiting for the next step from the court.

Basic Water Company bankruptcy

The Basic Water Company bankruptcy is still going on. It is the understanding that the auction is going to be in early June. It is somewhat stalled a little bit, as it gets closer to that.

Navajo Nation v. Dept. Of the Interior

In the Navajo matter it was argued to the Supreme Court on March 20th. We are expecting to see a decision sometime, probably in June. Mr. Newton listened to the hearing as well as Mr. Witkoski and Ms. Briggs. Mr. Newton is uncertain which way it is going to go. You could identify about three justice blocks that were kind of floating, but you could not ever see which one was going to be the fourth or even the fifth. Hence, has no idea what to expect from that.

<p>L. <i>For Information Only: Status update from Staff on the hydrological conditions, drought, and climate of the Colorado River Basin, Nevada's consumptive use of Colorado River water, the drought contingency plan, impacts on hydropower generation, electrical construction activities and other developments on the Colorado River.</i></p>

Environmental Program Manager, Warren Turkett, Ph.D. presented. Senior Assistant Director, Sara Price provided an update on river negotiations.

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

Hydrology and River Updates

- Precipitation and Temperature
- Colorado Basin River Forecast Center – Lake Powell 104 Group
- Lake Powell End-of Month Elevations – March 2023 24 Month Study
- Lake Mead End-of Month Elevations – March 2023 24 Month Study
- Water Use In Southern Nevada
- Negotiations and Updates

Commissioner Puliz asked if the extra 55,000 acre-feet of water available for storage is stored in Lake Mead or being pumped into the ground.

Dr. Turkett responded it will be stored as Intentionally Created Surplus in Lake Mead. The conserved water is accounted for in Reclamation's water accounting report, which includes water stored in Lake Mead, our local ground water aquifer, and balances in Arizona and California.

Update on River Negotiations – Sara Price:

Ms. Price stated the draft Supplemental Environmental Impact Statement (SEIS) was released a couple of hours prior to the Commission meeting. From the offset she noted it was an interesting month of news releases. The release of the draft SEIS shows draconian shortage reductions on the one hand, against a very good hydrology year in the basin with an incredible amount of precipitation. There is so much precipitation that the April's modeling adjustments to be announced shortly will show a significant increase in a release into Lake Mead. It is important, however, to maintain perspective on this good year of precipitation while keeping in mind that there has not been two good water years in a row. It would take at least four consecutive high precipitation years, from what she understands, to fill up the reservoirs. This seems to be highly implausible. The draft SEIS focuses on near term solutions for 2024 through 2026, which is still critical to put in place to be ready to address any additional risks from declining reservoirs. It would only take one additional devastating water year to turn things back around.

Ms. Price also stated since the SEIS has just been released there was not a lot to report to the Commission. There are 3 alternatives that the SEIS proposes but there is not a preferred alternative, and the alternatives are just proposals. One alternative is a no action alternative. That is, to keep things the way they are which produces quite a risk. Alternative 1 and 2 have the same significant volumes of reduction looking at 6-million-acre foot release. The whole purpose of doing the SEIS was for Reclamation to have authorization to release below 7,000,000-acre-feet.

The main difference between alternative 1 and alternative 2 is that alternative one goes strictly by a priority system on the river. Alternative 2, on the other hand, takes those shortage reduction volumes and distributes them evenly with the same percentage across the board to each lower basin state. Those are the bookends that the states will move forward with and continue to negotiate over the next several months.

Ms. Price added that it is helpful to have a good year of snowpack to provide a little more room for these negotiations to occur. Staff will continue to report back on the

developments. The final SEIS is not due until summer's end. At the same time, Commission Staff, as well as other principal parties are rolling along with the environmental compliance piece to support up to a four-million-acre foot reduction release below Lake Mead.

M. Comments from the public. Members of the public are invited to comment on items on the meeting agenda or on items not contained therein. No action may be taken on a matter raised during public comment until the matter itself has been specifically included on an agenda as an item for possible action.

Chairwoman Premsrirut asked if there were any comments from any member of the public present in the Chamber or any member of the public participating remotely that wish to address the Commission. There were none.

N. Comments and questions from the Commission members.

Chairwoman Premsrirut asked if there were any comments or questions from any Commission members. There were none.

O. Selection of the next possible meeting date.

The next meeting is tentatively scheduled for 1:30 p.m. on Tuesday, May 9, 2023, at the Clark County Government Center, Commission Chambers, 500 South Grand Central Parkway, Las Vegas, Nevada 89155.

P. Adjournment.

The meeting was adjourned at 2:51 p.m.



Eric Witkoski, Executive Director

APPROVED:



Puoy Premsrirut (Jul 20, 2023 14:40 PDT)

Jul 20, 2023

Puoy K. Premsrirut, Chairwoman

Colorado River Commission of Nevada

Hydrology and River Updates

Warren Turkett

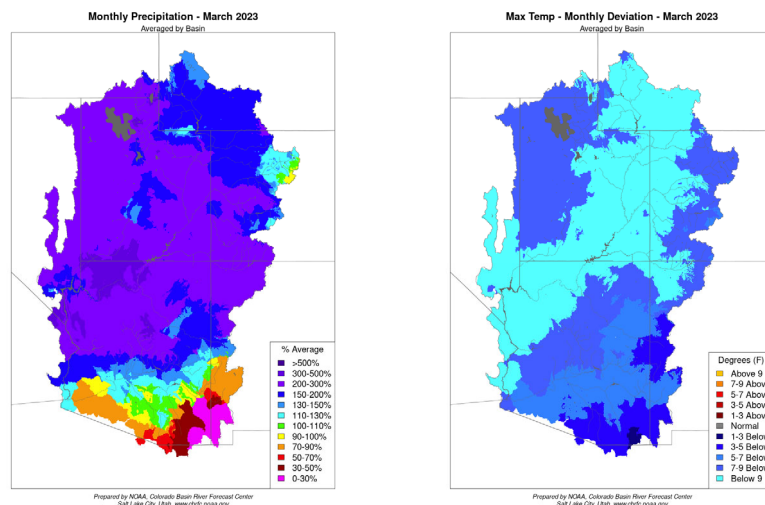
April 11, 2023



1

1

Precipitation and Temperature

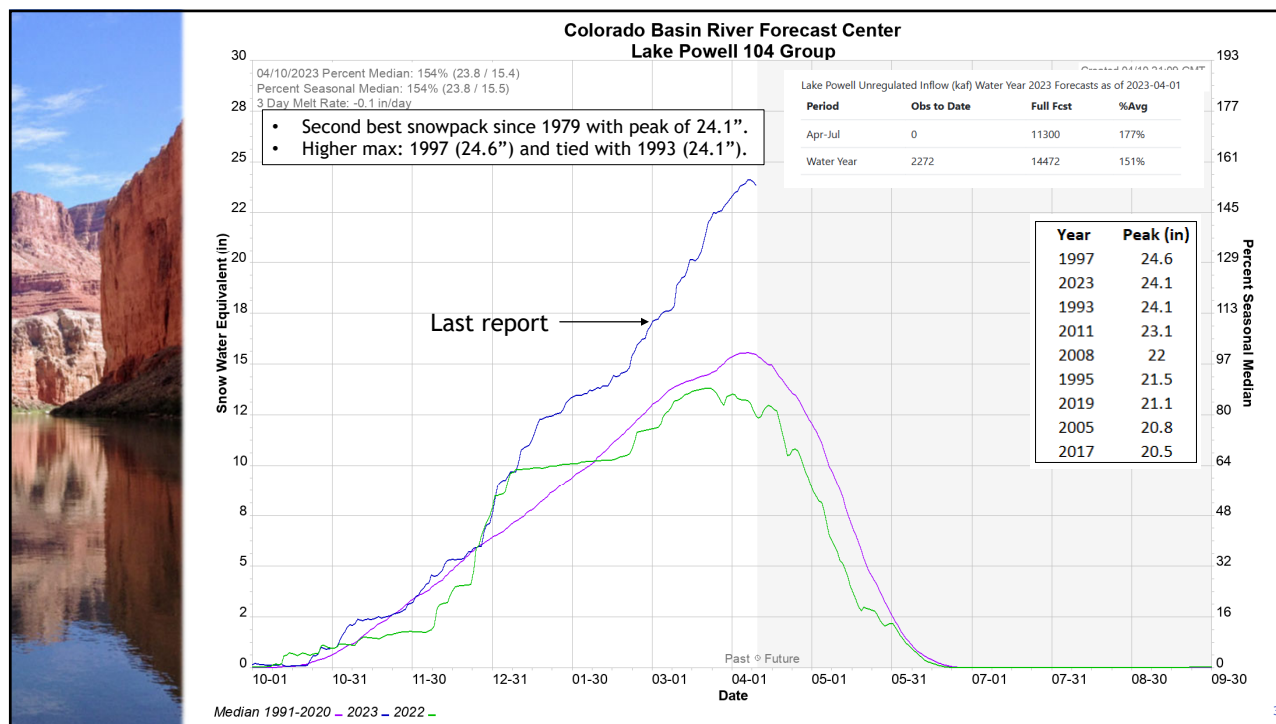


Lake Powell %Average Precipitation Water Year 2023

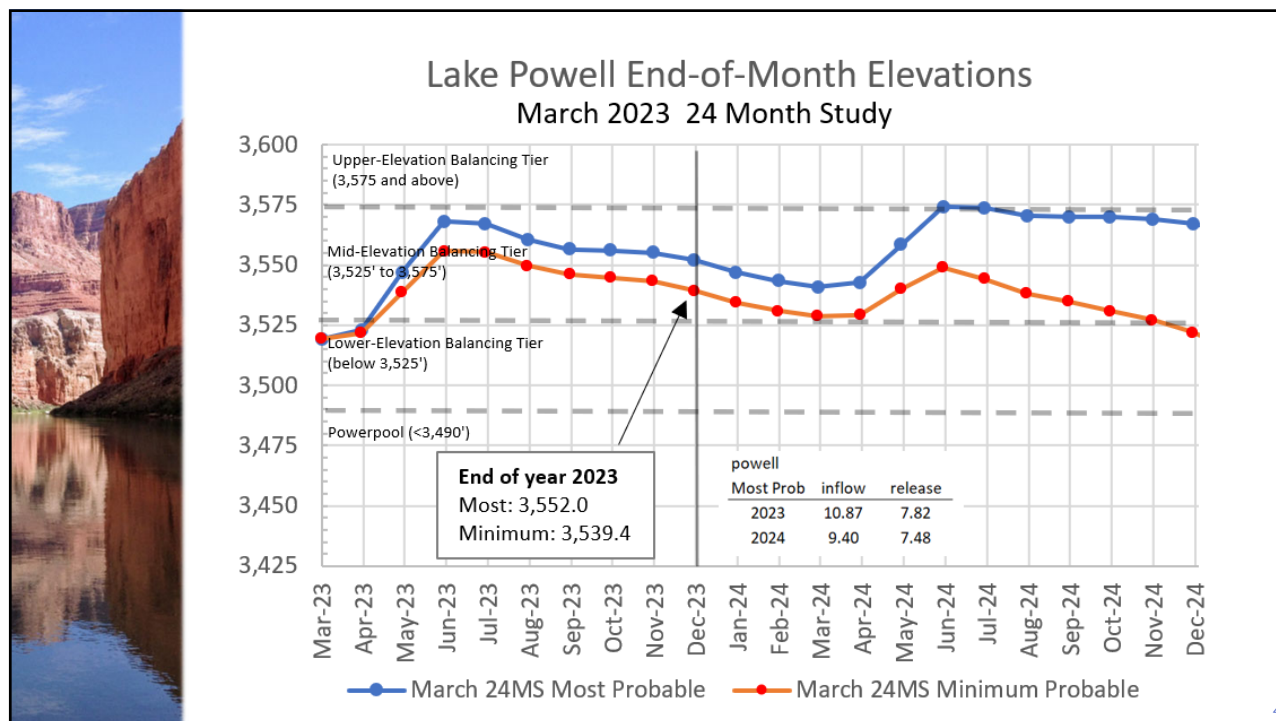
Area	Oct	Nov	Dec	Jan	Feb	Mar	Water Year
UC-Powell	84	82	152	170	102	180	130

2

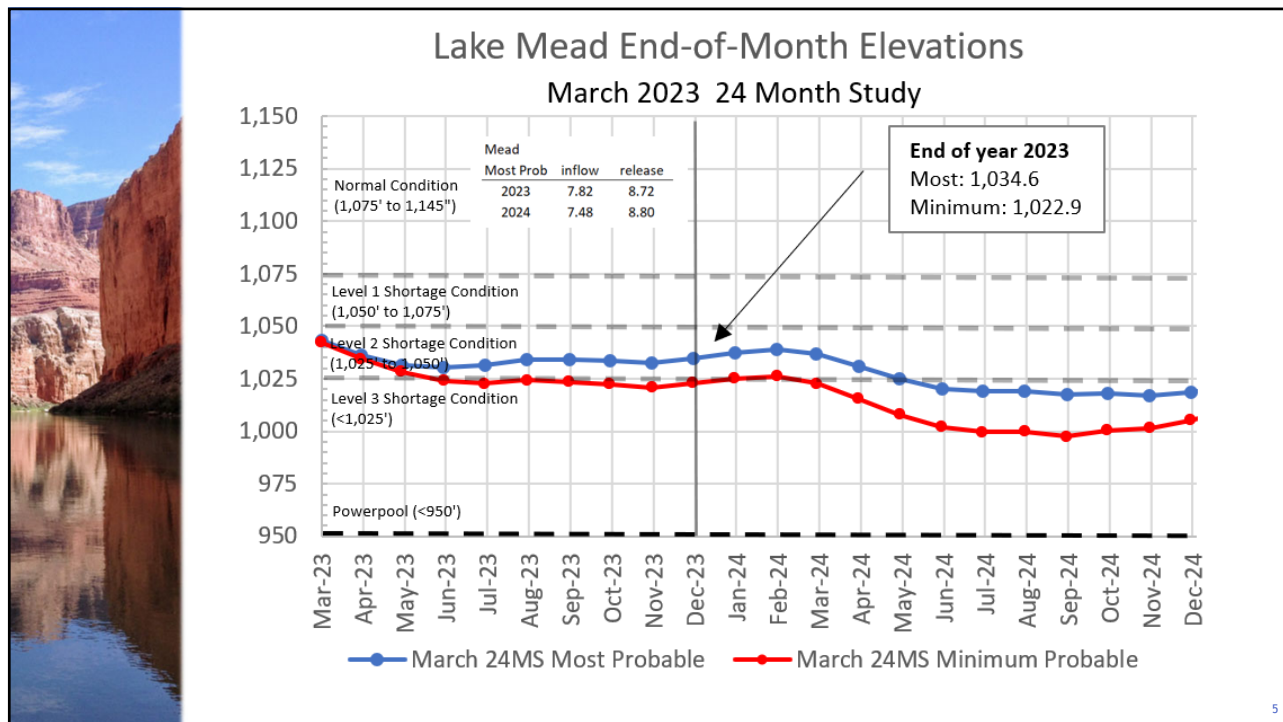
2



3



4



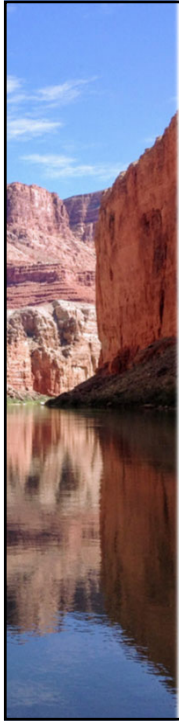
5

Water Use In Southern Nevada

2022 Southern Nevada Water Use		Acre-Feet
Nevada Annual Allocation		300,000
2022 Drought Contingency Plan contribution		-8,000
Interim Guidelines Shortages		-13,000
Diversions		465,767
Return Flow Credits		242,124
Consumptive Use		223,643
Water available for Storage		55,357 (18%)

2023 January - February Southern Nevada Water Use		Acre-Feet
Nevada Annual Allocation		300,000
2022 Drought Contingency Plan contribution		-8,000
Interim Guidelines Shortages		-13,000
Diversions		55,420
Return Flow Credits		40,048
Consumptive Use		15,372

6



Negotiations and Updates

Supplemental Environmental Impact Statement for 2007 Guidelines

- The Basin States are awaiting the release of the Federal draft alternative under the SEIS, which should occur by the end of the week of April 10, 2023. It is unclear as of now to what extent the Bureau of Reclamation will address the 6 -Basin States Consensus Based Modeling Alternative and the California proposal.
- The Basin States are also awaiting the announcement of the April 24 month study, which given the anticipated increase in runoff, will likely include a mid-year adjustment to increase the release from Glen Canyon Dam up to 9.5MAF for water year 2023.

7