

Lincoln County Water District
181 Main Street, Suite 115, P. O. Box 206,
Pioche, NV 89043, (775) 962-5164

MINUTES
LINCOLN COUNTY WATER DISTRICT (LCWD)

**WEDNESDAY, FEBRUARY 16, 2011, 10:00 A.M.,
AMBULANCE BARN, ALAMO, NV**

Action may be taken on items denoted with an asterisk*.

1. * Call to order, open meeting compliance, roll call, prayer and pledge of allegiance.

Meeting called to order at 10:02 a.m. Present: George T. Rowe, Anthony P. Donohue, E. Edwin Higbee, Jr., Wade Poulsen-General Manager, Dylan Frehner-Legal Counsel, and Shannon Simpson-Administrative Assistant. Absent: Kevin J. Phillips, Paul H. Mathews. Prayer: Paul Donohue. Pledge: Tommy Rowe.

2. * Discussion/Action: Approve/Modify minutes from January 19, 2011, meeting, and February 7, 2011, special meeting.

Motion by Tommy Rowe to approve the January 19, 2011, and February 7, 2011, meeting minutes, 2nd by Paul Donohue, motion passed unanimously.

3. * Discussion/Action: Approval of vouchers paid for check dates February 7, 2011, and February 22, 2011.

Motion by Paul Donohue to approve the payment of vouchers for check dates February 7, 2011, and February 22, 2011, 2nd by G. Tommy Rowe, motion passed unanimously.

4. Discussion: Board and Staff member reports -

Wade:

- 02/01/11 – 02/03/11: Attended NWRA conference. Wade & Dylan also attended groundwater seminar.
- 02/11/11: Met with Hobbs & Ong to discuss doing a financial analysis on the Lincoln County Land Act (LCLA). That would entail the pipeline and the financing of that along with different options. Hope to have something for next month's meeting on the cost.
- 02/15/11: Attended Virgin Valley Water District's (VVWD) monthly Council Meeting. Wade and Dylan met with Bo Bingham, Legal Counsel for VVWD, beforehand. VVWD General Manager, Ken Rock, has put out a statement recommending that legislation be changed to increase their district size to go into the LCLA. The VVWD Board decided to take no action on his recommendation. LCWD feels that we can work with VVWD, LCWD, City of Mesquite, the Developer and Lincoln County. At this time they are not going to go forward with the Legislative Act. However, if someone else did accomplish this then they would do whatever the Legislation tells them to do.
- Couple of calls to buy water. Will bring to the Board if anything progresses on this.

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Dylan:

- 02/01/11 – 02/03/11: NWRA Conference. Good opportunity to meet with other individuals we deal with throughout the State. Presentation made on what the LCWD is all about and what is happening in our neck-of-the-woods.
- 02/04/11: Were to meet with the State Engineer over the technical data and review with our third-party advisor on the Clover. Ended up rearranging that meeting based upon the submittal that they have given us and the proposal for cost is pretty outrageous. Wanted to have a purely technical meeting with our staff, and the experts that we have hired and their staff, and the third-party advisor. Looking at May 23rd or 24th, somewhere in this area to meet with the State Engineers office. Lincoln County will probably want to have a representative attend this meeting, too.
- 02/07/11: Special Board Meeting. Met with Chris Armstrong, BLT, afterwards in regards to annexation.
- 02/09/11: Filed our complaint through the LCWD and Vidler Water Company against the City of Mesquite and other parties to challenge the annexation.
- 02/14/11: Filed our motion to intervene in Lincoln County's lawsuit and get this process going.
- 02/15/11: VVWD meeting. Commented at the meeting regarding the statement that Ken Rock had made. Mr. Rock stated that he had gotten a lot of input in making the recommendation regarding the annexation; however, there was no input from LCWD regarding this situation. Since some of their Board members are new wanted to make this point and to let them know that we are willing to work with them.
- 02/16/11: Met with Victoria Barr, BLM, regarding reimbursement on LCLA. It does not appear that any action has been taken by the BLM to resolve this.
- NWRA conducting bus tour of the carbonate aquifer. Tour starts in Las Vegas, to Alamo, Crystal Springs. Hydrologists, geologists on bus, give presentation(s) in the field. Stop for 2 nights in Ely. Go to Great Basin National Park and tour springs in that area. Come back down to Panaca and Caliente. Very hands on and great experience. Suggests attending. June 14-16, 2011. Limited seating, 55 seats.

Paul Donohue:

- He and Commissioner Phillips will meet with Rosemary Thomas and Victoria Barr on 02/23/11. Commissioner Phillips wishes to address the reimbursement at this meeting. Commissioner Phillips wants to first find out where they are at on this issue, and then if necessary, will request a consultation. By law they, the BLM, have to honor the request for a consultation and agree to come to a resolution within a certain period of time.

5. Vidler Update. **Don Pattalock:**

- Kane Springs, Tule Desert, and the Clovers reinstalling equipment that had been washed out by the storms.
- Toquop Energy Site, meeting with BLM last week on moving forward on the notice to proceed which would then flow into the disposal of the property to Toquop Energy. Struggling with BLM just a little on notice to proceed. Feels they are in uncharted waters and are having difficulty with their notice to proceed which is a fairly simple 3-part form. The form is not a decision-of-record, it is not appeal-able, it is not anything. Vidler is working with them to get through this process.

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- Attended VVWD meeting. Thought that it was encouraging for LCWD that one of their Board Members acknowledged in open meeting that they only have 12,000 acre feet. They don't have enough to service their own territory let alone any expanded territory anywhere. Good to have this on the record if the situation should arise over the service area.
- BLM tour of Dry Lake/Delamar on 02/17/11, on the Programmatic EIS. Don will be bringing Gistamp.

6. * Discussion/Action: Approval of letter to the Bureau of Land Management (BLM) for reimbursement on Lincoln County Land Act (LCLA) cost recovery account in the amount of \$331,267.45.

- Reviewed past letters sent addressing this reimbursement and why we are now sending a letter to the BLM State Director.
- We have been waiting eight months for an answer.
- Don Pattalock went over Subsection D of the LCLA.
- Dylan feels we have legal argument to repudiate their no answer.

Motion by G. Tommy Rowe to approve the letter to the Bureau of Land Management (BLM) for reimbursement on Lincoln County Land Act (LCLA) cost recovery account in the amount of \$331,267.45, 2nd by Paul Donohue, motion passed unanimously.

7. * Discussion/Action: Approval of proposed letter to Lincoln County requesting Lincoln County Water District (LCWD) represent Lincoln County on water related issues.

Item 7, taken off of this agenda. Will resubmit for March Board meeting.

8. * Discussion/Action: Authorization of Vidler Water Company to act as LCWD's agent for the installation of precipitation and surface monitoring equipment on U.S. Army Corps of Engineers parcels in Clover Valley; primarily in Clover Creek and the Mathews and Pine Canyon Reservoir areas.

Motion by G. Tommy Rowe to approve Vidler Water Company to act as LCWD's agent for the installation of precipitation and surface monitoring equipment on U.S. Army Corps of Engineers parcels in Clover Valley; primarily in Clover Creek and the Mathews and Pine Canyon Reservoir areas, and to authorize Wade Poulsen to sign the document, 2nd by Paul Donohue, motion passed unanimously.

9. * Discussion/Action: Approval of compensation for the LCWD Board Members who attended the Nevada Water Resources Association (NWRA) Annual Conference in Reno, NV.

Motion by Paul Donohue to approve compensation for the LCWD Board Members who attended the Nevada Water Resources Association (NWRA) Annual Conference in Reno, NV, 2nd by G. Tommy Rowe, motion passed unanimously.

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10. * Discussion/Action: Effective March 1, 2011, adjusting the LCWD's mileage reimbursement rate to coincide with the State of Nevada's rate of .51 cents per mile for using his/her own personal vehicle for LCWD business per LCWD Policy #2009-2.

Board agreed that no action needs to take place since it is already set in our LCWD Policy & Procedure. This is a notification to the Board to let them know that the rate has changed.

11. * Discussion/Action: Submit application to the BLM for alternate rights-of-way to the LCLA for water transmission.

- Wade revisiting to see if the Board wants to submit an application to the BLM for an alternative route going from the Toquop Energy Site to the BLT development area.
- Vidler brought maps last meeting. If Board wants to move forward with this Vidler will assist. Not a bad idea to go in and have a loop system.
- Payment needs to be discussed. With the application, an application would also be submitted to use the LCLA funds to pay for the BLM's time. There is also the cost of the actual environmental assessments that would need to take place, approximately \$100,000.00 to \$150,000.00. Could roll it under the LCLA current project agreement between LCWD and Vidler.
- The LCWD does have the funds to pay their 50% instead of putting it under the agreement. However, this money has not been budgeted for at this time.
- Vidler will prepare all of the paperwork, get all of the maps together, and will bring before the Board for official approval. This will allow a month to investigate where Sithe Global is at on their application.

Motion by G. Tommy Rowe to approve submittal of application to the BLM for alternate rights-of-way to the LCLA for water transmission, 2nd by Ed Higbee, motion passed unanimously.

12. Public Comment and Discussion. **No public comment.**

13. * Adjourn. **Meeting adjourned at 11:03 a.m.**

Motion by Paul Donohue to adjourn this meeting, 2nd by G. Tommy Rowe, motion passed unanimously.

Submitted for approval by:

Shannon Simpson, LCWD Administrative Assistant _____

Approved by: _____
Signature

Print Name

Title

Date: March 16, 2011