

**LAS VEGAS VALLEY WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
AUGUST 3, 2021  
MINUTES**

CALL TO ORDER 9:00 a.m., Commission Chambers, Clark County Government Center,  
500 South Grand Central Parkway, Las Vegas, Nevada

DIRECTORS PRESENT: Marilyn Kirkpatrick, President  
Jim Gibson, Vice President  
Justin Jones  
William McCurdy II  
Ross Miller  
Michael Naft  
Tick Segerblom

STAFF PRESENT John Entsminger

*Unless otherwise indicated, all members present voted in the affirmative.*

**COMMENTS BY THE GENERAL PUBLIC**

*For full public comment, visit [www.lvwd.com/apps/agenda/lvwd/index.cfm](http://www.lvwd.com/apps/agenda/lvwd/index.cfm)*

Ed Uehling, Las Vegas, provided a letter to the Board concerning agenda item #5 and summarized it during public comment. His letter is attached to these minutes.

**ITEM NO.**

**1. Approval of Agenda & Minutes**

FINAL ACTION: A motion was made by Vice President Gibson to approve the agenda and the minutes from the regular meeting of July 6, 2021. The motion was approved.

**BUSINESS AGENDA**

**2. Approve and authorize the General Manager to sign an amendment to the existing agreement between The Howard Hughes Company, LLC, and the District to increase the developer's financial commitment for construction of the 4125 Zone North Reservoir.**

FINAL ACTION: A motion was made by Vice President Gibson to approve staff's recommendations. The motion was approved.

**3. Waive the bid irregularity and award a contract to construct the 4125 Zone North Reservoir to Sletten Construction of Nevada, Inc., for the amount of \$16,693,000, authorize a change order contingency amount not to exceed \$1,000,000, and authorize the General Manager to sign the construction agreement.**

FINAL ACTION: A motion was made by Vice President Gibson to waive the bid irregularity and award the contract. The motion was approved.

**4. Consent to the Southern Nevada Water Authority granting a parity lien on Authority Water Revenues for payment of the Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2021, in the maximum aggregate principal amount of \$70,000,000 to be sold to Clark County, Nevada.**

President Kirkpatrick asked if this item still needs to go before the Debt Management Commission for approval, to which John Entsminger, General Manager, affirmed. Vice President Gibson commented that these refunding activities have saved the District a lot of money over the years.

FINAL ACTION: A motion was made by Vice President Gibson to approve staff's recommendations. The motion was approved.

5. **Adopt a resolution notifying the Clark County Debt Management Commission of the District’s proposal to borrow money and issue general obligation bonds additionally secured by Southern Nevada Water Authority pledged revenues in the maximum aggregate principal amount of \$350,000,000, and providing certain details in connection therewith.**

Mr. Entsminger stated that these funds will go towards capital projects that have been previously approved by the IRPAC committee, the Las Vegas Valley Water District Board of Directors, the Henderson City Council, the North Las Vegas City Council, and the Boulder City Council.

FINAL ACTION: A motion was made by Director Jones to adopt the resolution. The motion was approved.

6. **Conduct a Public Hearing to consider and adopt a new 5-tier rate structure and increases to the daily service charge and water rates for the Blue Diamond Water System, as recommended by the Red Rock Citizens Advisory Committee, and approve corresponding changes to the Blue Diamond Service Rules.**

Mr. Entsminger stated that the rate structure for consideration was recommended by the Red Rock Citizens Advisory Committee. He added that the Blue Diamond water system has not had a rate increase since 1992, and that after implementation of the increase, water rates in that area will still be lower than in the Las Vegas valley.

President Kirkpatrick opened the public hearing. Ed Uehling commented on the inaccuracy of information given about borrowing \$3.4 billion for IRPAC recommended projects. With no further public comment related to the Blue Diamond Water System, President Kirkpatrick closed the public hearing.

FINAL ACTION: A motion was made by Director Jones to adopt the new rate structure for the Blue Diamond Water System. The motion was approved.

#### **COMMENTS BY THE GENERAL PUBLIC**

Ed Uehling continued his comment related to the borrowing of \$3.4 billion for specific IRPAC recommended projects. He added comment about the District’s misuse of debt funding.

Tashika Lawson, Las Vegas, spoke about the need to improve and/or replace failing water infrastructure in historic and older neighborhoods. She recommended utilizing some of the American Rescue Plan Act money to do so.

#### **Adjournment**

There being no further business to come before the board, the meeting adjourned at 9:20 a.m.

**Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager’s office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.**

## Public Comment provided by Ed Uehling, received on 8/3/21 and included in the minutes as required by Nevada's Open Meeting Law

3August2021

To: Las Vegas Valley Water District (LVVWD), Clark County Debt Management Commission, Board of the Southern Nevada Water Authority (SNWA), Nevada State Department of Taxation

From: Ed Uehling 702-808-6000 [ed.uehling@yahoo.com](mailto:ed.uehling@yahoo.com)

Re: Item #5 Authorizing LVVWD to borrow \$350,000,000

Last year an IRPAC (citizens' committee ostensibly charged with evaluating and recommending capital projects) that was organized by the SNWA recommended issuing \$3.4 Billion in bonds to finance several capital projects. The borrowing of \$350 Million in Item #5 represents the first installment of the \$3.5 billion.

There are several issues complicating this borrowing and I request that the LVVWD Board of Directors vote "No" on this Item. Among the issues of which I am aware (having attended most of the IRPAC, LVVWD and SNWA meetings during the past 2 years) are the following:

1. Neither the SNWA nor the LVVWD account for capital expenditures funded by bonds (vs. operating costs and capital projects funded by "infrastructure" charges billed monthly)
  - a. Separate funds were never established making it impossible to distinguish even between these two broad categories
  - b. In fact, customers are billed for several categories (e.g., infrastructure, connection, etc.) and there is no separate accounting for revenue and expenditures of these categories.
  - c. Therefore, when management says, for example, that it spends X dollars on infrastructure there is no way of knowing whether that expense is covered by infrastructure charges billed to customers monthly or by money borrowed from Wall Street.
2. Both agencies have a history of overestimating capital costs and then comingling these borrowed funds with operating funds
  - a. The project described here is even worse: No capital need is identified.
  - b. In fact, the budgets for 2019, 2020, 2021 show operating losses for the two agencies totaling around \$300,000,000, while the projected budget for 2022 identifies borrowings of \$350,000,000.
  - c. That very amount (\$349,000,000) can be found in the attached 2021-2022 SNWA budget as if it were legitimately earned revenue! Without this illegitimate use of bond proceeds, the deficit for this fiscal year would be a whopping \$165,000,000.
3. There is a strange absence of any reference to IRPAC decisions in this item despite numerous references of IRPAC's stamp of approval in previous meetings to this specific borrowing.
  - a. From my perspective this is because the borrowing is now being justified as a borrowing against income (revenues) and no longer as a capital borrowing.
  - b. This is doubly strange because both agencies have reported only massive losses—not income—for years.

**Public Comment provided by Ed Uehling, received on 8/3/21 and included in the minutes as required by Nevada's Open Meeting Law**

4. Only one IRPAC-related project—a \$400,000 design expense for the new building being constructed from which to supervise the construction of the “\$1.2-billion-dollar Lateral Pipeline”—has been approved by SNWA.
  - a. This contract was not cited as justification for this borrowing.
  - b. In fact, as stated above nothing is cited as a need for the borrowing.
  - c. Yet more than \$50,000,000 has already been authorized for future pumping of water to the Hughes Corporation’s 4100-foot elevation to expand Summerlin. This environmentally questionable project never even made the IRPAC list and is not mentioned in this item.
5. The ONLY way that this borrowing can be made compatible with the revenue approach is because the SNWA/LVVWD has mandated increases of the cost of all water:
  - a. Including the 5 to 10-thousand gallons of domestic water used by each of the 600,000 households serviced by SNWA
  - b. But EXCLUDING any consideration of charging increased rate percentages to single family households which consume up to 70 times as much water per month (350,000 gallons). This anomaly, better described as discrimination, occurs despite the facts that:
    - i. The SNWA/LVVWD spends tens of millions convincing the public it is interested in water conservation.
    - ii. Nearly all those 345,000 gallons are consumed outside and lost forever on landscaping and from swimming pools.
    - iii. Water users living in apartments pay up to 3 times as much for their basic household water as those living in single family residences.
6. While an “agreement” made in 1995 is being used to justify this bonding, there is no disclosure anywhere of the contents or motivations of that “agreement”.

At some point the directors of these two agencies are going to be forced to stop the overestimating of capital projects, the comingling of operation losses with Wall Street borrowing, the wanton waste of money on unneeded and overpaid staff and retirees, the misrepresentations, the career-boosting posturing, the inequitable pricing of water, the pandering to political powerhouses which care only for themselves, the ecological and economic destruction wrought within poorer neighborhoods, the fake “citizen committees”, the withholding of crucial information, the colossal losses, the handing-over of the second richest resource of the state to the employees of SNWA/LVVWD, the inadequate accounting of bond issues, the pay-offs to shut up media, the ever-escalating charges to customers for processing free water, etc., etc., etc.

These problems were created long before any of you became trustees of the LVVWD, but please do not pass them onto the next Board. Rather reverse its endemic tendency toward waste and corruption by voting no on this \$350,000,000 nothing burger—no project, no accounting, no sense.

Please see page 21 of the SNWA Operating and Capital budget 2022 Document to witness first-hand the placement of \$348.8 million of this \$350 million bond as if it were revenue;