### LAS VEGAS VALLEY WATER DISTRICT BOARD OF DIRECTORS MEETING MARCH 1, 2022 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, Kevin Bethel, Tabitha Simmons

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

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

For full public comment, visit www.lvvwd.com/apps/agenda/lvvwd/index.cfml

Ed Uehling, Las Vegas, provided a letter to the Board concerning agenda item #4 and summarized it during public comment. His letter is attached to these minutes.

President Kirkpatrick clarified that the professional services agreement in item #4 is for \$1,000,000, not \$5,000,000 as stated in public comment.

#### 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 February 1, 2022. The motion was approved.

 $\frac{CONSENT\ AGENDA}{an\ item\ be\ taken\ separately}.$  Items 2 - 3 are routine and can be taken in one motion unless a Director requests that

- 2. Rescind the interlocal agreement between Clark County and the District approved at the January 2, 2018, meeting, and approve a new interlocal agreement for installation of water facilities at the Orr Park Restroom Project.
- 3. Approve and authorize the General Manager or his designee to sign Change Order No. 2 to the Contract with J.A. Tiberti Construction Company, Inc., to construct the 4125 Zone Pumping Station for a time extension of the substantial and final completion dates by 203 calendar days.

FINAL ACTION: A motion was made by Director Naft to approve staff's recommendations. The motion was

approved.

### **BUSINESS AGENDA**

4. Approve and authorize the General Manager to sign a professional services agreement between R&R Partners, Inc., and the District for integrated marketing and strategic communication services for an amount not to exceed \$1,000,000, with the option to renew the agreement for four additional one-year periods, and authorize an annual increase not to exceed 10 percent for each renewal term.

FINAL ACTION: A motion was made by Vice President Gibson to approve the professional services agreement.

The motion was approved.

5. Conduct a public hearing regarding the issuance of general obligation (limited tax) water bonds (additionally secured by pledged revenues), Series 2022D, in the maximum aggregate principal amount of \$80,000,000 for the purpose of financing water projects for the Las Vegas Valley Water District.

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

John Entsminger, General Manager, stated that the \$350 million mentioned in the public hearing comment was approved for the Southern Nevada Water Authority, a separate legal entity from the Las Vegas Valley Water District, and that the infrastructure charge mentioned is part of the Authority's charges, not those of the District. He also stated that the District's Capital Improvement Plan approved by the Board in 2017 does include some new facilities, but the majority is to rehabilitate an aging system, and added that these bonds proceeds will be used exclusively to support the activities under the previously approved Plan.

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

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### COMMENTS BY THE GENERAL PUBLIC

Ed Uehling expressed disagreement with the management of District's funds.

### Adjournment

There being no further business to come before the board, the meeting adjourned at 9:18 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.

### 1March2022

To: Marilyn Kirkpatrick, Chair, and members of the Las Vegas Valley Water District Board

From: Edmund Uehling, ed.uehling@Yahoo.com 702-808-6000

Re: Item #4, "For Possible Action: Approve and authorize the General Manager to sign a professional services agreement between R&R Partners, Inc., and the District for integrated marketing and strategic communication services for an amount not to exceed \$1,000,000, with the option to renew the agreement for four additional one-year periods and authorize an annual increase not to exceed 10 percent for each renewal term."

With no evidence presented of having conducted a competitive bid process, the Board is being asked to toss 5 million more Dollars into R&R Partners, Inc.'s coffers. While all of us are aware of the oft-brilliant work of this company, the actual results of this brilliance should be considered along with questionable aspects of the contract itself:

## RESULTS OF BRILLIANCE (based on other existing contracts and global expansion):

- 1. R&R has a long-term contractual relationship, involving more than One Billion cumulative Dollars @approximately \$90 Million per year from the Las Vegas Convention and Visitors Authority for the purpose of attracting more tourists to Las Vegas.
  - a. Yet, while global tourism has increased over 50% from 2007-2019, Las Vegas tourism grew less than 10%. Had the World's Tourism Capital grown at the same rate, Las Vegas would have enjoyed 60 million tourists in 2019 rather than 42 million. That translates about \$20 Billion "LOST" Dollars in that year alone compared to the rest of the world and 20% of Clark County's Gross Product.
    - i. While some of that loss can be attribute to hotel, Culinary Union and airport greed and unfriendliness, it is still R&R's responsibility to protect and grow the income of Las Vegas and its people
  - b. Perhaps more alarming is the airport's (LAS) slippage in ranking from 5<sup>th</sup> busiest to 9<sup>th</sup> busiest.
- 2. With a record like that, why would an institution select R&R? And without even looking at the competition? If one is going to hire a tourist advertising agency to get results for a water agency, wouldn't one at least look at the advertising agency of virtually every tourist destination in the world. Did any do as poorly as Las Vegas? Is the District disinterested in results?

### QUESTIONABLE ASPECTS OF THE CONTRACT ITSELF:

- 1. Comparing this item (#3) with the previous item (#2), it is obvious that more thought was put into the placement of a \$5,000 restroom at Orr Park than to the \$5,000,000 advertising contract.
- 2. While much is made about the importance of truthfulness within the bounds of the contract itself, nothing in the contract commits R&R to tell the truth in its advertising for the District. While I have no knowledge what company is responsible for the lies

disseminated by the District's previous advertising, it has included many lies, as illustrated by the following examples:

- a. The claim that long showers waste our supply of water, when it is well known that shower water is placed back into Lake Mead and the District (SNWA) receives the same amount of fresh water, which it can sell a second or third or tenth time WITHOUT reducing its allocation or Lake Mead levels. In fact, if everyone in Las Vegas were to take long enough showers, there would be no need for the District to borrow money!
- b. Ditto, the claim that the customers of the District can prevent consumptive use of water by installing indoor water saving devices.
- c. The implication that District water customers have a significant impact on the level of Lake Mead and are somehow responsible for the existence and growth of the white ring around the lake. In fact, consuming (wasting) the entire 300,000 acre-feet of Nevada's share of water in the 28,000,000-acre-foot capacity of Lake Mead would be measured in inches.
- d. The claim that the District is doing a fantastic job "conserving" water, when in fact it is transferring water. And this transfer of water being heralded by the District is a transfer of wealth—from less affluent neighborhoods and people to extremely affluent neighborhoods and political campaign contributors.

Does anyone think that R&R will ever tell any of these truths? Hardly. In fact, the contract prohibits R&R from doing or expressing anything contrary to District policies and dictates.

Thank you

#### 1March2022

To: Marilyn Kirkpatrick, Chair/Members of the Las Vegas Valley Water District (LVVWD) Board

From: Edmund Uehling, ed.uehling@Yahoo.com 702-808-6000

Re: Item #5, That the Board of Directors conduct a public hearing regarding the issuance of general obligation (limited tax) water bonds (additionally secured by pledged revenues), Series 2022D, in the maximum aggregate principal amount of \$80,000,000 for the purpose of financing water projects for the Las Vegas Valley Water District.

Most of the arguments against another Wall Street giveaway were contemplated in my letter to the LVVWD Board dated 21September2021 and attached hereto. This borrowing, however, is even more egregious in the following aspects:

- 1. It is not backed up even by the minimum requirement that the contrived "Citizens' Committee" (IRPAC), pre-stacked by the administration of our artificially separated Water Agencies (SNWA and LVVWD), approve new bonds/borrowing.
- 2. Or the even more fundamental requirement that all borrowing be limited to capital improvements.
- 3. These Eighty Million Dollars are clearly going to be used to cover up the grossly incompetent and corrupt OPERATIONS of the LVVWD for which water customers are being held responsible—against their knowledge or will. This is evidenced by the following facts:
  - a. There is no specific capital improvement PROJECT identified
  - b. The so-called "PROJECT" identified during the February 1, 2022, LVVWD Board Meeting is the totality of LVVWD's functions. The LVVWD's exact description and words are contained in the appendix of this letter.
  - c. The LVVWD has been running operating losses between 50 to 100 million dollars per year as shown by its budgets (that the Board refuses to discuss).
  - d. A similar bond issuance of \$100 million was made by LVVWD in 2021 and used to cover operational losses and to cover up the ongoing incompetence, corruption, and inefficiency of LVVWD management (and leadership?).
  - e. Item #5 even states that the bonds will be paid by LVVWD "REVENUES"—not by efficiencies or wealth generation that would result from an actual "capital project" (see above).
  - f. Worse, the increased revenues that make this borrowing possible are generated by automatic increases programmed (illegally? —certainly without the business impact statement and hearings that should be held every time there is a rate increase) years ago by lazy and greedy (and law-breaking?) public officials, who just sock it to those members of the public who use water.
  - g. In the meantime, while the same public officials hand out subsidies worth billions of dollars to favored private corporations and increase already bloated

- personnel costs (now \$1,000 per day per employee average) at a yearly rate of 10% per year (even when the inflation rate ranged around 2% per year). In fact, the average compensation nearly doubled between 2008 and 2018—a time when many of the people these public servants supposedly "serve" had to live with a reduction in their compensation.
- h. Water customers have essentially been fixed into a cycle of abuse: Abuse #A) Increasing rates which have no real basis (except to satisfy government greed); Abuse #B) forced borrowing which is financed by Abuse #A; Abuse #C) Requirement that THEY (not the government and private/favored beneficiaries) pay back the ill-gotten bonds; which requires Abuse #D) Additional rate increases.
- 4. It should be noted that one of the main beneficiaries of this bond issuance (if not THE main beneficiary) will be the company of and the very person who "coincidentally" "happens" to be the wife of the Governor of the State—an individual to whom the members of this board have devoted excessive deference already.
- 5. In the meantime, the LVVWD (and SNWA) continue to reject any, and all, suggestions of paying a few million dollars to experts who would be able to perform comparative studies of their operations.

**CONCLUSION**: The Board should not only reject this government scam against its water customers but resolve to reverse its ongoing war against the people and small businesses of Clark County.

Thank you.

APPENDIX: The language in this borrowing (herein quoted exactly) tells it all: why this money will be used for operations and not for any discernable "PROJECT" as required by law:

"....acquiring, constructing, reconstructing, improving, extending and bettering facilities pertaining to a water system for the collection, transportation, treatment, purification and distribution of water, including, without limitation, springs, wells, ponds, lakes, water rights, other raw water sources, basin cribs, dams, spillways, retarding basins, detention basins, reservoirs, towers and other storage facilities, pumping plants, infiltration galleries, filtration plants, purification systems, other water treatment facilities, waterworks plants, pumping stations, gauging stations, ventilating facilities, stream gauges, rain gauges, valves, standpipes, connections, hydrants, conduits, flumes, sluices, canals, channels, ditches, pipes, lines, laterals, service pipes, force mains, submains, syphons, other water transmission and distribution mains, engines, boilers, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings and other facilities for the acquisition, transportation, treatment, purification and distribution of untreated water or potable water for domestic, commercial and industrial use and irrigation, or any combination thereof (the "Project"),....."

Adoption of this item will mean that, those voting for it, may be committing a level of perjury/unlawfulness exceeding that possibly committed by the designers of this scam.

### 21September2021

To: Marilyn Kirkpatrick, Chair and members of the Las Vegas Valley Water District Board

From: Edmund Uehling, ed.uehling@Yahoo.com 702-808-6000

Re: Item #11, "2021D Resolution to Issue Bonds (SNWA)" in the amount of \$350,000,000

Every time that this item comes forward it has a different explanation/justification (that it was approved by the IRPAC, that it is for a project, that it is for many projects).

Today's justification contains no mention of IRPAC's recommendations even though it has been previously stated that this \$350,000,000 is part of the overall \$3Billion+ recommendation of that committee.

And today's justification identifies no specific project for which the fabulous sum of \$350,000,000 is needed even though "the Project" terminology is used throughout the documentation herein as if there were "a Project" specified. To me this appears to be deceptive rhetoric designed to mislead purchasers of the bonds.

Today's explanation does, however, contain a listing of numerous activities (about 100?—I didn't count them), which appear to comprise the totality of what LVVWD/SNWA do. This list does not distinguish between ordinary operations and infrastructure investments. Nowhere is there an explanation that their customers already pay for all or most of the listed functions through their monthly bills and through the numerous categories dreamed up in past years by these two agencies.

That alone gives a clue as to what this borrowing from Wall Street is all about: Overcoming and paying for the incompetence, waste and lies of the management of SNWA/LVVWD. The attached financial budget statement with its insertion of \$348.8 million into the SNWA's budgeted "Sources" of revenue as if it were earned is, to me, additional proof of the above.

Please note that that amount covers the ACTUAL \$170M loss in 2020-21 and \$165M budgeted loss in 2021-22 as I noted on the bottom section of the attached budget.

This scam should not be approved.