

**LAS VEGAS VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
OCTOBER 4, 2022
MINUTES**

CALL TO ORDER 9:04 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, Dave Johnson, Doa Ross, Greg Walch, Kevin Bethel

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

Ed Uehling, Las Vegas, asked if there would be an opportunity for public comment on item #10. President Kirkpatrick affirmed that it was a public hearing and comment would be taken.

Walter Seip, Sunrise Manor, provided comment on the tier two shortage declaration and the importance of indoor water conservation. His comments are attached to these minutes.

Robert Winchell, Las Vegas, recently received a much higher-than-normal water bill and asked the board and staff to research technologies that would notify customers of leaks in real-time to help avoid water waste and costly bills.

Lisa Ortega, Las Vegas Democratic Socialists of America, expressed support of a tiered water billing system to help conserve water.

Claudette Wilson, Bonanza Village, promoted water conservation and asked for an increase in water waste investigations primarily at senior facilities and public housing.

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 September 6, 2022. The motion was approved.

CONSENT AGENDA Items 2 – 6 are routine and can be taken in one motion unless a Director requests that an item be taken separately.

- 2. Approve and authorize the General Manager to sign Change Order No. 3 to the contract with Sletten Construction of Nevada, Inc., to construct the 4125 North Zone Reservoir for a Contract time extension of the substantial and final completion dates by 231 calendar days.**
- 3. Approve and authorize the General Manager to sign Change Order No. 3 to the contract with Tand, Inc., for the installation of pipelines and appurtenances in Atlantic Street, Bourbon Way, and Torrey Pines Drive in an amount not to exceed \$251,249, and a time extension of the final completion date by 182 calendar days.**
- 4. Approve and authorize the General Manager to sign an agreement between 95 Storage LLC and the District for developer participation in the cost of future infrastructure and authorize the District to receive from 95 Storage LLC an amount not to exceed \$100,000 for future pressure regulating valve construction.**
- 5. Approve and authorize the General Manager to sign an agreement between Telstar Instruments dba SAE Systems and the District to provide professional services associated with ongoing control systems projects in an annual amount not to exceed \$750,000, and authorize renewals for up to six additional one-year periods.**

6. **Approve and authorize the General Manager to sign an agreement between Wunderlich-Malec Engineering, Inc., and its Affiliates, and the District to provide professional services associated with ongoing control systems projects in an annual amount not to exceed \$750,000, and authorize renewals for up to six additional one-year periods.**

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

BUSINESS AGENDA

7. **Reject the bid from Builders United LLC and award a contract for construction of a Springs Preserve event site to SHF International LLC in the amount of \$2,107,118, authorize a change order contingency amount not to exceed \$210,000, and authorize the General Manager to sign the construction agreement.**

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

8. **Award a contract for pipeline replacements to Wadley Construction, Inc., in the amount of \$4,242,215, authorize a change order contingency amount not to exceed \$420,000, and authorize the General Manager to sign the construction agreement.**

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

9. **Approve and authorize the General Manager to sign an agreement between Ernst & Young LLP and the District for professional services related to the implementation of conservation initiatives to improve consumption analysis and efficiencies of customer information systems supporting future rate changes and notification processes in an amount not to exceed \$4,425,730 for the period from November 1, 2022, through January 31, 2025.**

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

10. **Conduct a public hearing to consider and adopt changes to single-family residential water rates and approve other conservation-related and ministerial Service Rule revisions.**

John Entsminger, General Manager, gave a presentation on the proposed excessive use charge and tier equalization. A copy of his presentation is attached to these minutes.

He reported on projected Lake Powell and Lake Mead elevations, further future reductions, and Southern Nevada's conservation initiatives. He stated that residential customers consume approximately 60 percent of the community's water resources and that Southern Nevada can no longer afford to lose large amounts of water through consumptive means, adding that equalizing tiered water rates for residential customers despite the meter size will ensure all customers pay an equal rate for the same amount of water. Mr. Entsminger also introduced an excessive use charge which is a surcharge added to every 1,000 gallons of water used beyond an established threshold that changes by watering season. He added that most residential customers will not be impacted by this change, and that the charge is intended to affect around only 10 percent of customers each season. He concluded his presentation by showing the impact to various sample bills and highlighted the District's outreach efforts to customers. If approved, this rate adjustment would go into effect on January 1, 2023.

President Kirkpatrick opened the Public Hearing.

Ed Uehling expressed support of tier equalization stating that he has been advocating for this type of change for years, but feels that the approach can be more aggressive and that even more water can be saved.

Sarah Leavitt, Las Vegas, expressed support of the rate adjustments and stated that Southern Nevada needs to use the community's water collectively.

Anthony Lambert stated that the Las Vegas Democratic Socialists of America submitted a petition of 80 signatures asking the board to adopt the proposals in item #10. He added that the excessive use charge will help change behaviors of exorbitant users and/or will bring in millions of dollars annually that could cover the cost of future infrastructure enhancement and improvements. The signed petition is attached to these minutes.

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As there were no additional members from the public wishing to speak, President Kirkpatrick closed the hearing.

FINAL ACTION: A motion was made by Director Naft to adopt the proposed changes to water rates and the Service Rules. The motion was approved.

COMMENTS BY THE GENERAL PUBLIC

Ed Uehling asked if multi-family housing is included in the new rate adjustment or if it is limited to single-family residences. Mr. Entsminger stated the new rate adjustments only apply to residences with individual meters.

Soren Sorensen, Laughlin, NV, expressed support of item #10.

Adjournment

There being no further business to come before the board, the meeting adjourned at 9:47 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.

Good Morning; I'm Walter Seip [S E I P]. I live in Sunrise Manor.

Nothing today about election laws. I do remind about **creative strategies** I postulated last month that could result in mitigating 10% of Nevada's Tier 2a water allocation reduction. These focused on the 70% of water use which occurs **indoors**.

Recall that skipping just two flushes per day and perhaps half of the in-home hand washings could yield an estimated avoidance of almost 2500 acre feet annually.

Then came the District's agenda presentation. **Incredibly** – at least two thirds of the information had been in a recent edition of the “Review Journal.” Conceivably, I expect the same scenario to unfold today during **agenda item 10**.

This time **Colton Lochhead** got the **byline** in Section B of Sunday's RJ. Large font headlines proclaimed that big users “**might**” see hikes. Might – of course they will, as Lochhead reports, increases (although capped at 4.5%) are tied to the consumer price index.

I'm wondering – if these tiers only apply to the top 10% of single-family home users as implied in the article. **I'm wondering** – if the top 10% actually care how much they pay for water. Like the lady in the supermarket that wants eggs for her family, the 40% increase in the cost of eggs will not stop her purchase.

Will you believe it – when told that the CPI driven costs will save 11,000 acre feet of water per year? Last month I outlined the factors contributing to the calculations producing acre feet figures. I'm hoping I hear similar components and not just a pronouncement of a -- **hope**.

I read -- that since I'm not in that top 10%, these changes **aren't going to penalize me** at all. **Then I read** – that with tier equalization, 45% of single-family homes will feel the impact of the pending increase – **no matter what?**

Then there is the hopeful estimate of generating an **extra \$25 million** in the first year – while **water use is expected to drop?**

In 2021, Nevada consumed 242,000 acre-feet of river water. This year's projected use is pegged at about or under 240,000 acre-feet. You realize that this **all but assures another prodigious allocation cut** next year.

Lochhead's article included a number of quotes that contained the words - **“hope”** and **“maybe”** - enough times to make each of you ask questions before you vote to raise the water rates.

Like last month, I again request support to **connect the mighty Mississippi and the Colorado rivers**. I posited that the Army's Corps of Engineers could get the project completed – **before I die**.

Thank you. (copy of presentation to the minutes)

Walter Seip
walterseip@cox.net

A handwritten signature in dark ink, appearing to read 'Walter Seip', is positioned to the right of the typed name and email address.

My last wondering relates to a reported district suggestion to switch to high-efficiency sprinkler heads. Google reports that proper use requires them to run longer with a rule of thumb to run rotors 3-5 times longer than spray heads. The frequent question is whether they are worth it?

LAS VEGAS REVIEW-JOURNAL NEVADA & THE WEST

B
Sunday
October 2, 2022
reviewjournal.com

DOCTOR OB-GYN accused of offering \$1K for nude photos **3B** **ART** Stolen painting returned to museum **5B**

Big water users might see hikes

By Colton Lochhead
Las Vegas Review-Journal

Things are likely to get more expensive for Las Vegas' biggest water users.

The Las Vegas Valley Water District is set to change its tiered water rate structure for single-family homes in a way that officials say will penalize the top 10 percent

Agency plans changing tiered rate structure

of water consumers in hopes of curbing their thirst.

The changes are expected to save some 11,000 acre-feet of water per year — a significant chunk of water conservation amid calls from the federal government to reduce water use

along the Colorado River by as much as 30 percent to protect critical water levels at Lake Mead. Southern Nevada, which gets about 90 percent of its water from the Colorado River, consumed about 242,000 acre-feet of water in 2021 and is on pace

to use about 235,000 acre-feet this year.

"We know that in many respects, price helps to drive water use," water district spokesman Bronson Mack said. "And our expectation is that with the excessive use charge and the equalization

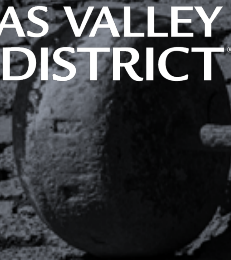
of all water tiers, that will drive down water use."

The tier changes, which could be approved after a public hearing at the district's board meeting on Tuesday, will implement a new excessive use charge for any water used over a new monthly threshold

See **WATER 9B**



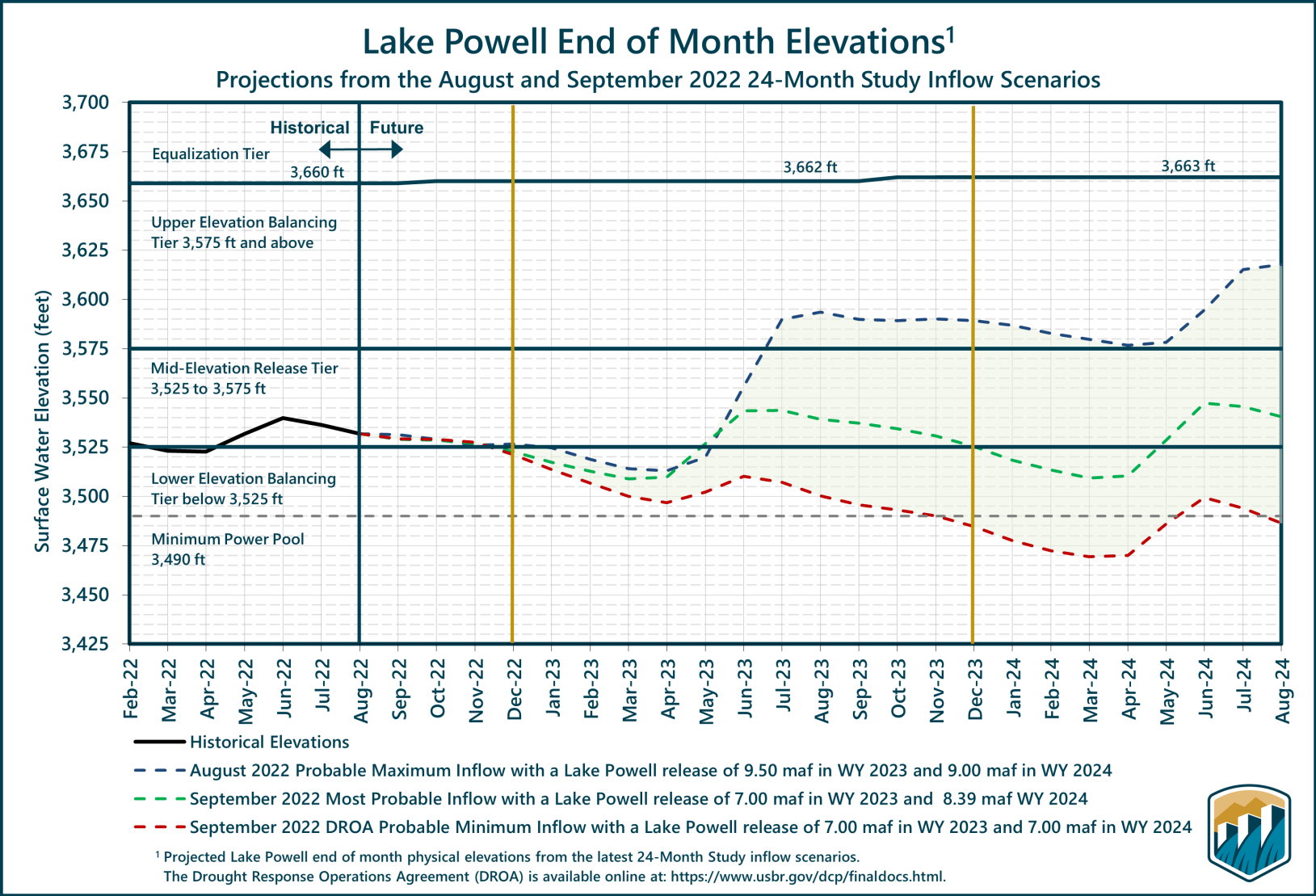
LAS VEGAS VALLEY
WATER DISTRICT



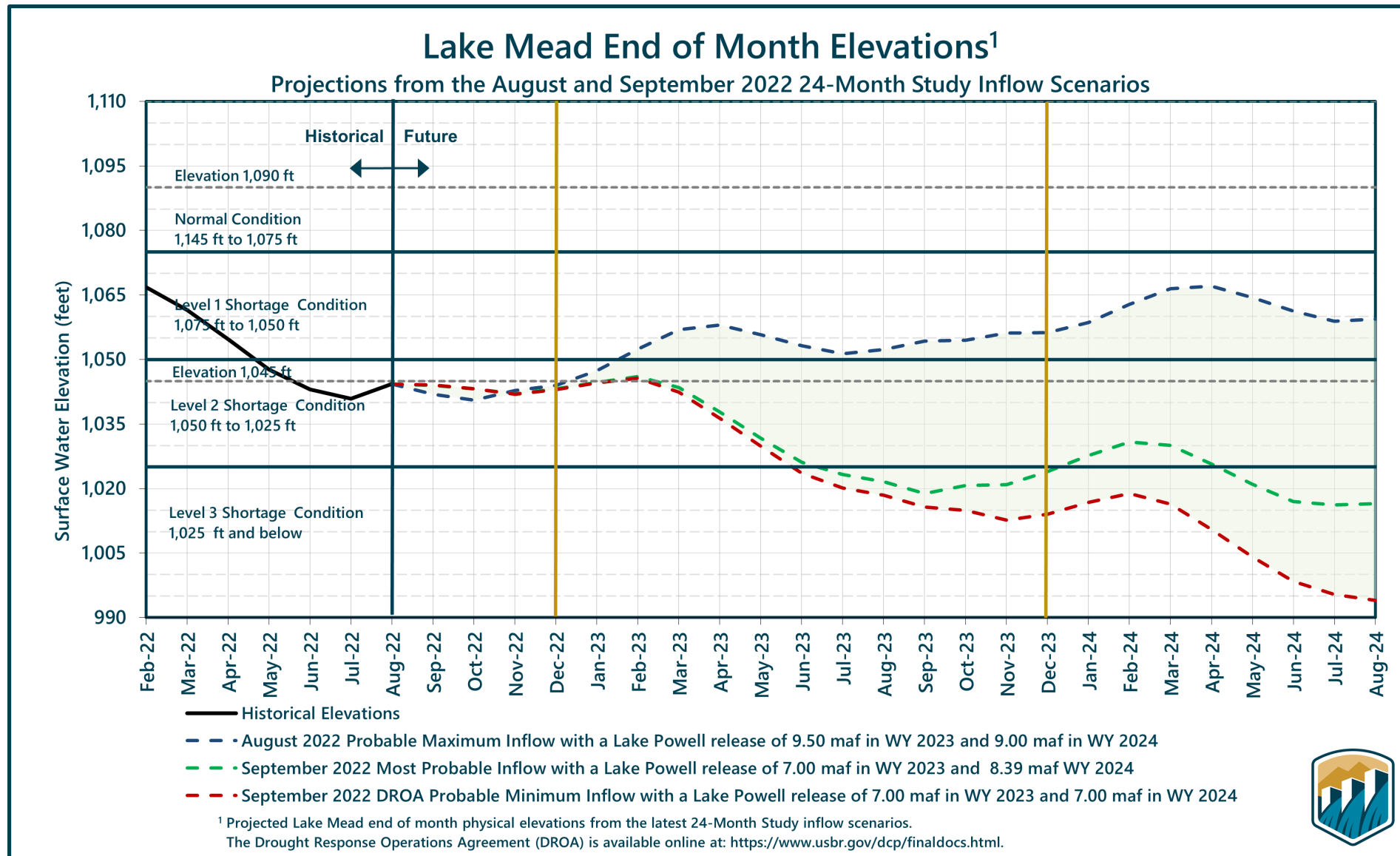
EXCESSIVE USE CHARGE & TIER EQUALIZATION

October 4, 2022

Lake Powell projections pose considerable risk to critical power infrastructure.



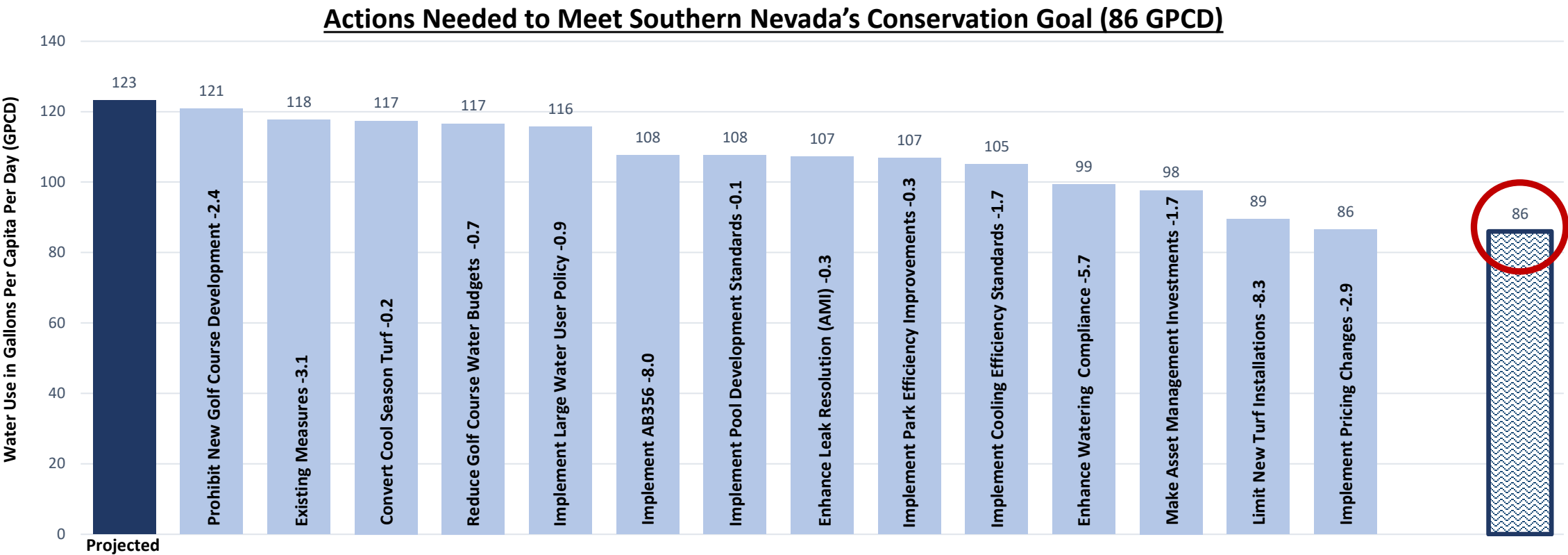
Lake Mead will receive a smaller release, causing further declines to elevations.



**The federal government
has asked for nearly a
30% reduction in use
from the states.**



Southern Nevada is doing its part to reduce water use.





Further conservation initiatives affect nearly every sector within our community.

- AB356 / Elimination of existing nonfunctional turf
- Limits to new turf (parks, schools, cemeteries)
- Golf course water budgets
- Ornamental water features at resorts
- Evaporative cooling in new development
- Pool size limits
- Prohibition of new municipal water service to parcels with septic systems

Residential customers consume around 60% of the community's resources.



**Homes with water
efficient landscaping
largely use water indoors
with minimal impact to
water resources.**



Homes with expansive areas of grass represent the community's largest water users.

This use is not recoverable, and Las Vegas can no longer afford an aesthetic that has no place in the desert Southwest.



Tiered water rates must send a strong conservation signal to all residential customers to achieve the conservation goal.



The largest water users use approximately one-third of total residential water.

Large water users:

- **Large amounts of grass**
- **Turf that is inefficiently watered**
- **Spray irrigation regardless of landscape**
- **Not following watering schedule**



The LVVWD is proposing conservation-based changes to water rates.

Excessive Use Charge: A surcharge (\$9) added to every 1,000 gallons of water used beyond an established threshold that changes by watering season.

Tier Equalization: Equalize all tiers to create unified thresholds across all residential meter sizes. Every residential customer pays the same amount for the same amount of water used, regardless of meter size.

If approved, all residential customers would pay for water used under the existing 5/8-inch meter tier threshold.

Current Tier Thresholds

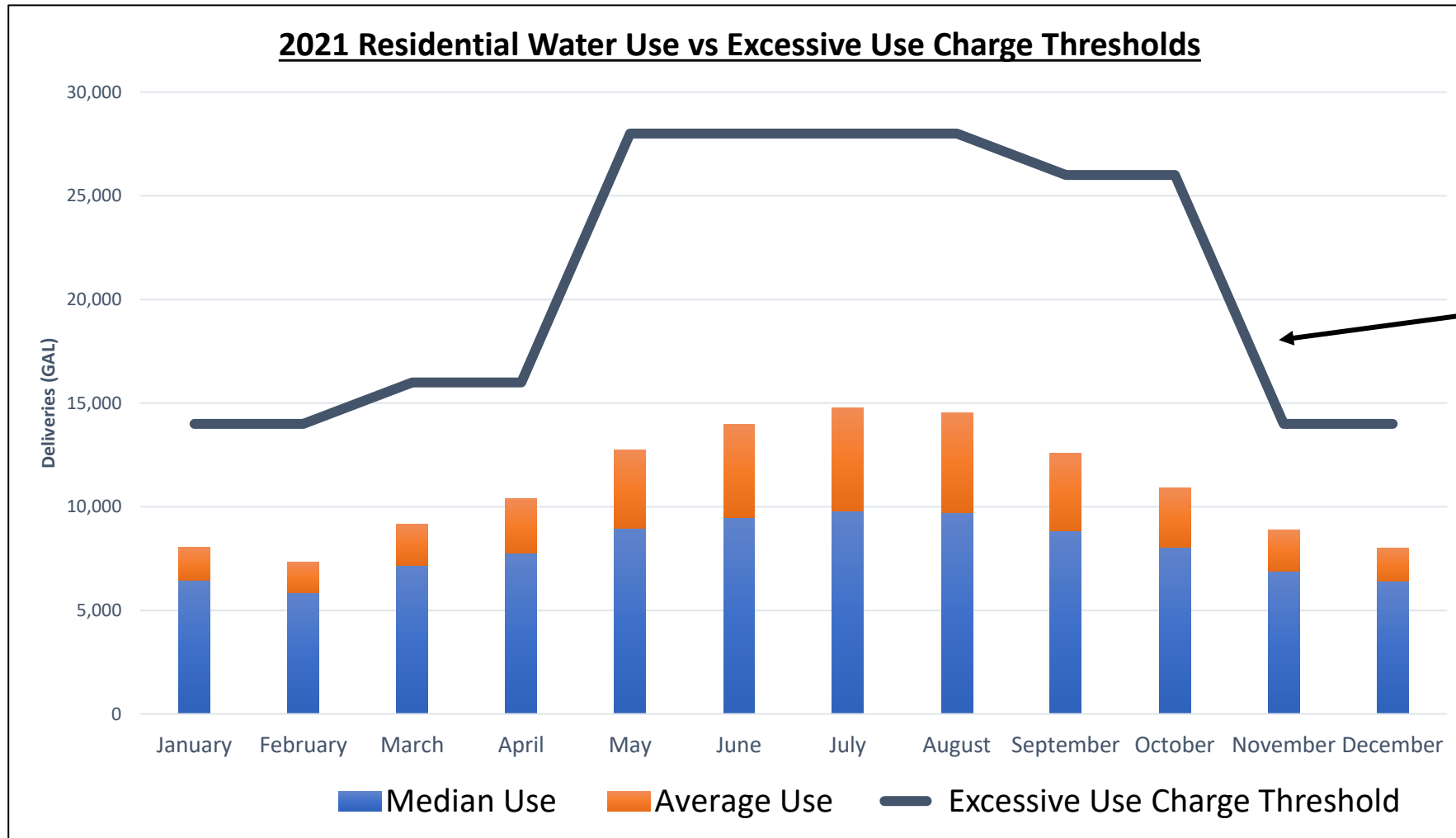
Tier	Rate per 1,000 gallons	5/8-Inch Meter Thresholds	¾-inch Meter Thresholds	1-inch Meter Thresholds	1.5-inch Meter Thresholds	2-Inch Meter Thresholds
1	\$1.40	0 - 5	0-6.8	0-10.1	0-18.6	0-28.71
2	\$2.50	5.01 - 10	6.81-13.5	10.11-20.32	18.61-37.2	28.72-57.43
3	\$3.71	10.01 - 20	13.51-27.0	20.33-57.5	37.21-175.7	57.44-385.26
4	\$5.51	20.01 +	27.0 +	57.51+	175.71+	385.51+

Residential Services

Meter Size	# of Service Points
5/8	185,888
3/4	153,365
1	16,264
1 ½	238
2	51
Total	355,806

Most residential customers have a 5/8-inch meter and will not be impacted by this change.

EXCESSIVE USE CHARGE THRESHOLDS



Thresholds are set at the minimum of the 10th decile (top 10%) of SFR water bills per season.

EXCESSIVE USE CHARGE THRESHOLDS

This charge is intended to affect around only 10% of customers each season.

Season	Threshold (GAL)	Bills Affected by Excessive Use Charge (2021)
Winter (Nov-Feb)	14,000	12%
Spring (Mar-Apr)	16,000	9%
Summer (May-Aug)	28,000	9%
Fall (Sep-Oct)	26,000	10%

EUC = \$9.00 per thousand gallons over the threshold

SAMPLE CUSTOMERS: 5/8-Inch Meters

Jan Threshold: 14,000 gal
 Apr Threshold: 16,000 gal
 Jul Threshold: 28,000 gal
 Sep Threshold: 26,000 gal

TYPICAL USAGE	Jan. Bill <i>9,000 gal</i>	Apr. Bill <i>10,000 gal</i>	Jul. Bill <i>10,000 gal</i>	Sep. Bill <i>11,000 gal</i>
2023 Bill	51.02	54.21	54.21	58.67
2023 Bill w/ TE	51.02	54.21	54.21	58.67
2023 Bill w/ EUC	51.02	54.21	54.21	58.67
2023 Bill w/ TE + EUC	\$51.02	\$54.21	\$54.21	\$58.67

HIGH USAGE	Jan. Bill <i>44,000 gal</i>	Apr. Bill <i>33,000 gal</i>	Jul. Bill <i>42,000 gal</i>	Sep. Bill <i>43,000 gal</i>
2023 Bill	251.12	181.31	238.43	244.77
2023 Bill w/ TE	251.12	181.31	238.43	244.77
2023 Bill w/ EUC	521.79	334.70	364.74	398.15
2023 Bill w/ TE + EUC	\$521.79	\$334.70	\$364.74	\$398.15

TE: Tier Equalization

EUC: Excessive Use Charge

**Sample customer bill inputs assume LVVWD and SNWA inflationary increases.*

SAMPLE CUSTOMERS: 3/4-Inch Meters

Jan Threshold: 14,000 gal
Apr Threshold: 16,000 gal
Jul Threshold: 28,000 gal
Sep Threshold: 26,000 gal

LOW USAGE	Jan. Bill <i>4,000 gal</i>	Apr. Bill <i>6,000 gal</i>	Jul. Bill <i>9,000 gal</i>	Sep. Bill <i>4,000 gal</i>
2023 Bill	38.15	40.32	50.63	40.05
2023 Bill w/ TE	38.15	42.09	52.93	40.05
2023 Bill w/ EUC	38.15	40.32	50.63	40.05
2023 Bill w/ TE + EUC	\$38.15	\$42.09	\$52.93	\$40.05

HIGH USAGE	Jan. Bill <i>15,000 gal</i>	Apr. Bill <i>33,000 gal</i>	Jul. Bill <i>66,000 gal</i>	Sep. Bill <i>52,000 gal</i>
2023 Bill	72.30	163.91	373.32	284.48
2023 Bill w/ TE	78.43	183.23	392.64	303.80
2023 Bill w/ EUC	81.32	317.29	716.18	519.07
2023 Bill w/ TE+EUC	\$87.45	\$336.61	\$735.50	\$538.38

SAMPLE CUSTOMERS: 1-Inch Meters

Jan Threshold: 14,000 gal
Apr Threshold: 16,000 gal
Jul Threshold: 28,000 gal
Sep Threshold: 26,000 gal

TYPICAL	Jan. Bill <i>13,000 gal</i>	Apr. Bill <i>16,000 gal</i>	Jul. Bill <i>30,000 gal</i>	Sep. Bill <i>26,000 gal</i>
2023 Bill	89.20	98.76	156.13	138.28
2023 Bill w/ TE	98.78	112.17	193.47	168.09
2023 Bill w/ EUC	89.20	98.76	174.17	138.28
2023 Bill w/ TE + EUC	\$98.78	\$112.17	\$211.52	\$168.09

HIGH USAGE	Jan. Bill <i>24,000 gal</i>	Apr. Bill <i>36,000 gal</i>	Jul. Bill <i>43,000 gal</i>	Sep. Bill <i>42,000 gal</i>
2023 Bill	129.36	182.89	214.12	209.66
2023 Bill w/ TE	155.40	231.55	275.97	269.62
2023 Bill w/ EUC	219.59	363.34	349.46	354.02
2023 Bill w/ TE+EUC	\$245.62	\$412.00	\$411.30	\$413.98

SAMPLE CUSTOMERS: 1.5-Inch Meters

Jan Threshold: 14,000 gal
Apr Threshold: 16,000 gal
Jul Threshold: 28,000 gal
Sep Threshold: 26,000 gal

TYPICAL	Jan. Bill <i>21,000 gal</i>	Apr. Bill <i>29,000 gal</i>	Jul. Bill <i>61,000 gal</i>	Sep. Bill <i>70,000 gal</i>	HIGH	Jan. Bill <i>123,000 gal</i>	Apr. Bill <i>166,000 gal</i>	Jul. Bill <i>196,000 gal</i>	Sep. Bill <i>104,000 gal</i>
2023 Bill	155.92	181.42	313.99	354.14	2023 Bill	590.58	782.41	959.59	505.82
2023 Bill w/ TE	186.79	237.56	440.63	497.74	2023 Bill w/ TE	834.07	1,106.94	1,297.31	713.50
2023 Bill w/ EUC	219.07	298.71	611.73	751.13	2023 Bill w/ EUC	1,574.03	2,135.78	2,475.37	1,209.57
2023 Bill w/ TE+EUC	\$249.95	\$354.85	\$738.37	\$894.73	2023 Bill w/ TE+EUC	\$1,817.52	\$2,460.31	\$2,813.09	\$1,417.25

SAMPLE CUSTOMERS: 2-Inch Meters

Jan Threshold: 14,000 gal
Apr Threshold: 16,000 gal
Jul Threshold: 28,000 gal
Sep Threshold: 26,000 gal

HIGH	Jan. Bill <i>113,000 gal</i>	Apr. Bill <i>106,000 gal</i>	Jul. Bill <i>308,000 gal</i>	Sep. Bill <i>202,000 gal</i>	HIGH	Jan. Bill <i>109,000 gal</i>	Apr. Bill <i>186,000 gal</i>	Jul. Bill <i>551,000 gal</i>	Sep. Bill <i>622,000 gal</i>
2023 Bill	569.53	538.31	1,439.45	966.57	2023 Bill	551.69	895.20	2,845.79	3,296.34
2023 Bill w/TE	831.17	786.75	2,068.60	1,395.95	2023 Bill w/ TE	805.78	1,294.41	3,610.64	4,061.19
2023 Bill w/EUC	1,462.76	1,350.33	3,965.75	2,554.53	2023 Bill w/ EUC	1,408.83	2,429.02	7,564.56	8,673.75
2023 Bill w/TE+EUC	\$1,724.39	\$1,598.77	\$4,594.90	\$2,983.91	2023 Bill w/ TE+EUC	\$1,662.92	\$2,828.24	\$8,329.41	\$9,438.60

IMPACTS

Smallest water users
→

Largest water users
→

Decile	Bills Impacted		Water Savings (in 1,000 gallons)
	# of Bills	% of Bills	
1	63,604	14.6%	-1,952
2	29,319	6.7%	-2,861
3	28,275	6.3%	-3,811
4	139,861	32.8%	-7,435
5	240,439	55.9%	-24,899
6	230,174	50.2%	-31,107
7	273,883	64.0%	-48,605
8	245,445	57.1%	-88,628
9	321,165	72.1%	-312,190
10	390,023	89.3%	-2,593,633
Total	1,962,188	44.8%	-3,115,118 gallons (-11,481 AF)

AFFECTED CUSTOMERS

% of 2021 bills impacted by the Excessive Use Charge

Meter Size (in.)	Bills Impacted
5/8	5%
3/4	11%
1	43%
1 1/2	74%
2	76%
All Bills	10%

**% of 2021 bills impacted by Tier Equalization,
Excessive Use Charge, or both**

Meter Size (in.)	Bills Impacted
5/8	5%
3/4	73%
1	88%
1 1/2	94%
2	92%
All Bills	45%

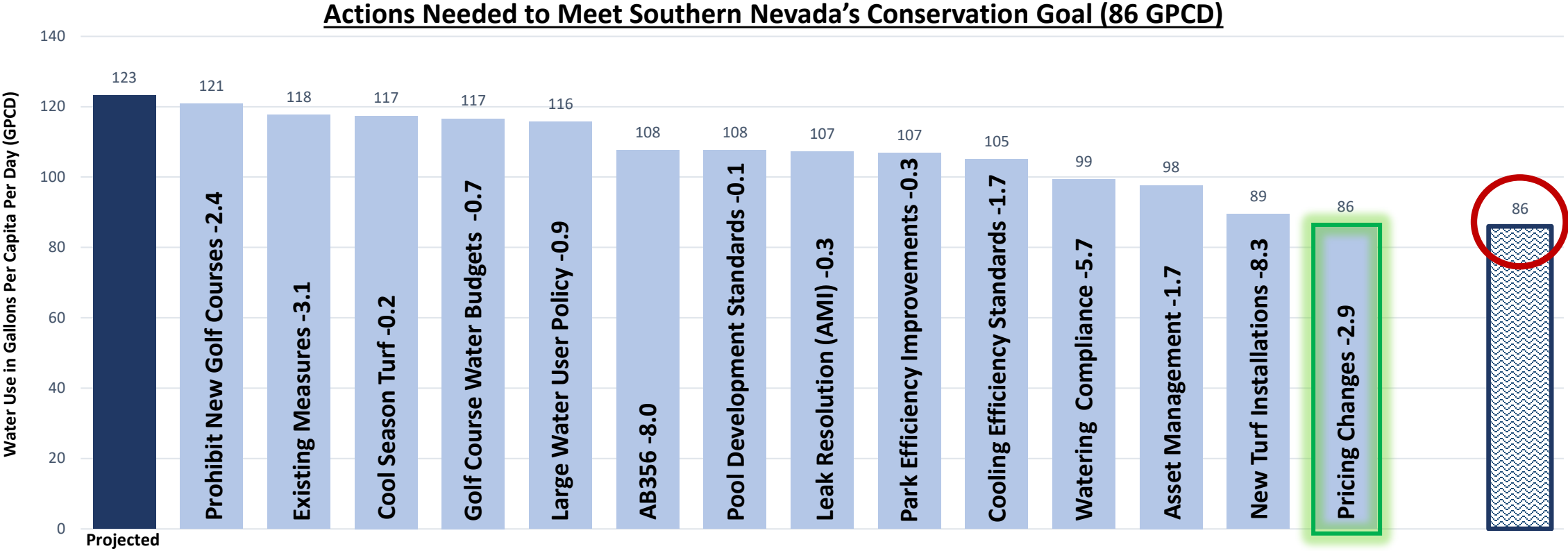
If approved, this rate increase would go into effect on January 1, 2023.

Outreach Efforts

- **Direct mail to all customers**
- **Updates to LVVWD website**
- **Social media**
- **Online bill estimator**
- **Bill inserts**



Southern Nevada is doing its part to reduce water use.





**LAS VEGAS VALLEY
WATER DISTRICT®**

October 4, 2022