

**JOINT MEETING OF THE
LAS VEGAS VALLEY WATER DISTRICT BOARD OF DIRECTORS
COYOTE SPRINGS WATER RESOURCES DISTRICT BOARD OF TRUSTEES
BIG BEND WATER DISTRICT BOARD OF TRUSTEES
SPECIAL MEETING
APRIL 24, 2023
MINUTES**

CALL TO ORDER 1:11 p.m., Mead Conference Rooms,
Las Vegas Valley Water District
1001 S. Valley View Blvd., Las Vegas, Nevada

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

DIRECTORS ABSENT Tick Segerblom

STAFF PRESENT John Entsminger, Kevin Bethel, Dave Johnson, Greg Walch

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

COMMENTS BY THE GENERAL PUBLIC

For full public comment, visit www.lvwwd.com/apps/agenda/lvwwd/index.cfm

There were no members of the public wishing to speak.

ITEM NO.

1. Approval of Agenda

FINAL ACTION: A motion was made by Vice President Gibson to approve the agenda for this meeting. The motion was approved.

2. Las Vegas Valley Water District: Receive an overview and discuss the Fiscal Year 2023/2024 Tentative Budget for the Las Vegas Valley Water District, the Coyote Springs Water Resources District, and the Big Bend Water District.

John Entsminger, General Manager, presented the Las Vegas Valley Water District's Fiscal Year 2023-2024 tentative budget. He began by providing highlights from the 2022-2023 Fiscal Year, including the implementation of the excessive use charge, updated Service Rules with conservation-related initiatives, nearly 30,000 water waste investigations conducted, the completion of the Advanced Metering Infrastructure project, and the recognition of one of America's best mid-sized employers. He also provided an update on capital projects and gave an overview of the 2023-2024 budget, highlighting the total sources and uses of funds, as well as an outlook of the District's financial reserves.

Mr. Entsminger then presented the Big Bend Water District's Fiscal Year 2023-2024 tentative budget. He mentioned that existing revenues are insufficient to meet capital and operating funding requirements. President Kirkpatrick asked about state and federal grants for rural areas, to which Mr. Entsminger stated that the Big Bend Water District has received and continues to seek grant funding, but that additional revenue is needed.

Mr. Entsminger then presented the Coyote Springs Water Resources District's Fiscal Year 2023-2024 tentative budget.

A copy of the presentation is attached to these minutes.

COMMENTS BY THE GENERAL PUBLIC

There were no members of the public wishing to speak.

Adjournment

There being no further business to come before the board, the meeting adjourned at 1:26 p.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.**

2023-24

BUDGET WORKSHOPS

LAS VEGAS VALLEY WATER DISTRICT
BIG BEND WATER DISTRICT
COYOTE SPRINGS WATER RESOURCES DISTRICT

1

Public Comment

Please limit your comments to three minutes.

2

Item 1

For Possible Action: Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items.

3

Item 2

Las Vegas Valley Water District

For Information Only: Receive an overview and discuss the Fiscal Year 2023/24 Tentative Budget.

4

2023-24

BUDGET WORKSHOP

 LAS VEGAS VALLEY
WATER DISTRICT

5

2022-23 Highlights

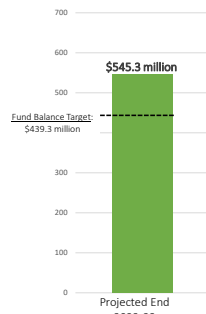
- Updated the LVVWD Services Rules with a number of conservation initiatives:
 - Pool size limits
 - Reduced golf course water budgets
 - Prohibited evaporative cooling
- Implemented the Excessive Use Charge to address the top 10 percent of single-family residential water users
- Completed the AMI project, which provides valuable customer water use data to support conservation-related efforts
- Conducted nearly 30,000 water waste investigations and fined 43 instances of water theft
- Recognized by Forbes Magazine as one of America's best mid-size employers (2022)

6

Unrestricted Reserve Balance

Reserve Policy Elements:

- Maintain 180 days of operating and maintenance expenses
- Fund one year of maximum annual debt service
- Fund one year of average annual capital expenditures
- Fund 1% of depreciable assets



7

2023-24
BUDGET WORKSHOP

Capital Projects UPDATE

8

Summerlin Reservoir & Pumping Station

- New pumping station and reservoir to meet operational, firefighting and emergency water storage for the western edge of Summerlin
- Developer-funded design and construction
- Will feed future zones and reservoirs
- August 2023: Pumping station completed
- December 2026: Reservoir completed



Pumping Station: FY 23/24 Budget: \$500,000; Total Project: \$16.2 million
Reservoir - FY 23/24 Budget: \$7.7 million; Total Project: \$39.6 million

9

Cougar 3090 Zone Inlet/Outlet Pipeline and Reservoir

- More than 10,000 linear ft of 42" pipeline connecting the Cougar 3090 Zone Reservoir to the Hualapai 3090 Zone South Pipeline
- Developer-funded design
- 10 MG reservoir
- Pipeline construction began May 2022 and expected completion is December 2023
- Reservoir construction began May 2022; expected completion in September 2023



Pipeline - FY 23/24 Budget: \$4.3 million; Total Project: \$12 million
Reservoir - FY 23/24 Budget: \$8 million; Total Project: \$34 million

10

Rome Reservoir, Pumping Station, PRV and Pipelines

- Project consists of construction of a 10 MG below grade reservoir, 28 MGD pumping station, PRV installation, and pipeline installation (5,000 feet of 48"; 1,950 feet of 42" and 1,400 feet of 30" pipeline)
- Developer-funded design
- Provides additional capacity to support existing and proposed development in northwest region of Las Vegas
- Construction began March 2023, expected completion is January 2025



Reservoir, Pump Station, PRV - FY 23/24 Budget: \$34.7 million; Total Project: \$63.3 million
Facilities Pipelines: FY 23/24 Budget: \$5.3 million Total Project: \$14.8 million

11

Centennial Reservoir and Pumping Station

- Designed to maintain adequate hydraulic grade lines and provide required emergency and fire flow storage
- Consists of 5 MG below grade reservoir, 38 MGD Pumping Station, installation of a 54" inlet/outlet pipeline, and 48" discharge pipeline
- Construction began July 2021, expected completion is September 2023



FY 23/24 Budget: \$750,000
Total Project: \$40 million

12

Pipeline Replacements: Paradise Road

- Location: Paradise Road between Twain and Karen Ave.
- Includes replacement of existing underground piping which is under extreme risk due to age and material
- Busy area near the Convention Center and Monorail - timing the project has been crucial to not interfere with customers and events
- Estimated construction completion: May 2024



FY 23/24 Budget: \$5.2 million
Total Project: \$13 million

13

Las Vegas Boulevard Improvements (Phase C/D)

- Partnering with CC Public Works, this project is replacing the entire 24-36-inch diameter main from 215 to Sahara. The original main was installed in 1963. The design life is 50 years for a pipeline of this size and replacement is necessary.
- Continual coordination with several agencies and large events (i.e. NHL All-Star game, Raider's games, Pro Bowl, Super Bowl, and F1 Race) all effect the duration of the project
- Two of five phases complete, remaining phases are under construction or nearing construction
- Design began 2017, construction began 2019 and will be ongoing for 3+ years



FY 23/24 Budget: \$9.4 million
Total Project: \$68.9 million

14

South Boulevard Facilities (2975 & 2745 Zone)

- Provide design of water service and storage capacity to expand service to the southern portion of the District's service area near Sloan
- Design for the future installation of several major components:
 - 10 MG 2745 Zone Reservoir
 - 2.8 MGD 2975 Zone Pumping Station
 - Two 2.25 MG Tanks
 - 18,500 ft of 42" pipeline
 - 10,000 ft of 24" pipeline
 - 2,900 ft of 16" pipeline
 - Two 8x6" PRV's
- Currently in the design phase

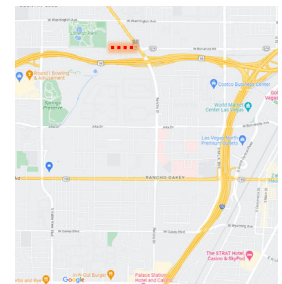


FY 23/24 Budget: \$4.3 million
Total Project: \$87.6 million

15

Transmission Main Replacement/Rehab

- Steel Pipeline on West Bonanza Rd between Belrose St and N Rancho Dr was installed in 1955 and has a history of main breaks, missing mortar, circular cracks, multiple areas of corrosion; adjacent pipelines on Eldorado Canyon St, Delamar St, and Ramsey St have had multiple main breaks
- Replacing these pipelines will increase the safety and reliability of the water system for the nearby neighborhoods and mitigate the occurrence of future main breaks
- Currently in design phase and construction to begin December 2023 through February 2025



FY 23/24 Budget: \$2.6 million
Total Project: \$30 million

16

Well Replacement

- Several wells currently in service are expected to reach the end of their service life due
- LVVWD anticipates the need to replace 10 wells over the next 10 years; replacing one well annually by locating water sources, drilling, and equipping
- Replacement wells must be strategically located to avoid elevated concentrations of known groundwater contaminants and ensure high well yields in areas where production water is needed
- Well 124 is being constructed in FY 23/24



FY 23/24 Budget: \$1.9 million
Total Project: \$16 million

17

Springs Preserve Ethnobotanical Garden

- Grant funded through the state
- One-acre garden designed to capture the cultural impacts of Native American tribes on our community
- Emphasizes indigenous storytelling and the community's relationship to the environment; working closely with Las Vegas Indian Center
- Currently in contracting phase, construction estimated to begin in June



FY 23/24 Budget: \$502,000
Total Project: \$2.2 million

18

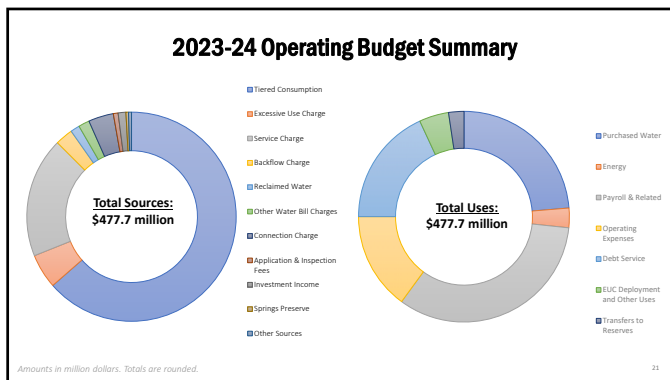


19

LWWD Budget Overview

- Sources of funds reflect approved inflationary increases
- Indexed rate adjustments continue to use a conservative 25-year average (well below experienced inflation adjustments)
- Capital expenditures flat vs. current year budget, but higher compared to historical spending, reflecting increasing work efforts on major projects
- Budget includes \$230 million new money debt issuance to help fund the elevated planned capital spending
- Operating budget represents a new funding source – Excessive Use Charge revenue

20



21

Operating Sources of Funds

SOURCES	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
Tiered consumption	\$ 293.0	\$ 304.3	\$ 303.7	\$ (0.6)
Excessive use charge (EUC)	-	-	25.5	25.5
Service charge	79.9	80.8	88.8	8.0
Backflow charge	12.7	12.6	13.1	0.4
Reclaimed water	7.2	6.9	6.7	(0.2)
Other water bill charges	7.3	10.0	8.1	(1.9)
Connection charge	23.6	10.6	18.6	8.0
Application and inspection fees	3.8	1.9	3.5	1.6
Investment income	(23.5)	6.4	5.7	(0.7)
Springs Preserve	1.7	1.6	1.9	0.3
Other sources	2.7	1.9	2.2	0.3
LWWD SOURCES	\$ 408.5	\$ 437.0	\$ 477.7	\$ 40.7

Amounts in million dollars. Totals are rounded.

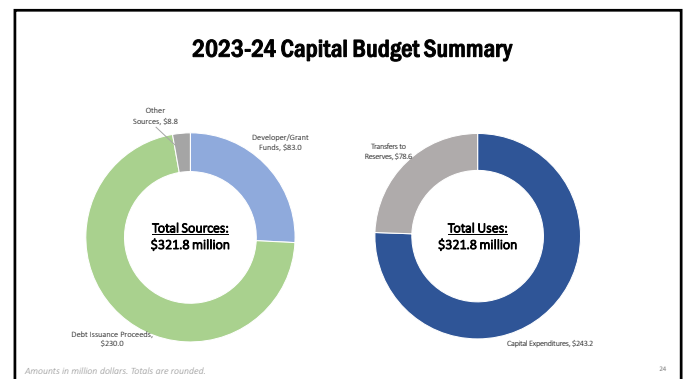
22

Operating Uses of Funds

USES	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
Purchased water	\$ 100.3	\$ 110.6	\$ 113.2	\$ 2.6
Energy	10.0	10.3	14.3	4.0
Salaries and benefits	125.2	150.8	159.6	8.8
Operating expenses	39.4	58.4	71.3	12.8
Debt service	73.8	84.6	86.6	1.9
EUC deployment and other uses	1.0	0.8	21.6	20.7
Transfers to reserves	58.8	21.4	11.2	(10.2)
LWWD USES	\$ 408.5	\$ 437.0	\$ 477.7	\$ 40.7

Amounts in million dollars. Totals are rounded.

23



24

Capital Sources of Funds

SOURCES	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
Developer/grant funds	\$ 16.6	\$ 39.7	\$ 83.0	\$ 43.3
Debt issuance proceeds	75.6	80.0	230.0	150.0
Other sources	-	-	8.8	8.8
Transfers from reserves	19.0	119.9	-	(119.9)
LVVWD SOURCES	\$ 111.1	\$ 239.7	\$ 321.8	\$ 82.1

Amounts in million dollars. Totals are rounded.

25

Capital Uses of Funds

USES	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
Capital expenditures	\$ 111.1	\$ 239.7	\$ 243.2	\$ 3.6
Transfers to restricted reserves	-	-	78.6	78.6
LVVWD USES	\$ 111.1	\$ 239.7	\$ 321.8	\$ 82.1

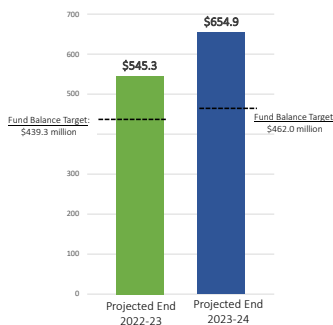
Amounts in million dollars. Totals are rounded.

26

Unrestricted Reserve Balance

Reserve Policy Elements:

- Maintain 180 days of operating and maintenance expenses
- Fund one year of maximum annual debt service
- Fund one year of average annual capital expenditures
- Fund 1% of depreciable assets



27

LVVWD Budget Summary

- Operating expenses represent increases to infrastructure management spending (increased pipeline inspections, deferred maintenance), materials and supplies, and a new Leak Prevention Program (\$5 million)
- Operating costs reflect increases in cost of water and materials
- Excessive Use Charge revenues utilized for conservation-related initiatives
- The budget reflects the District's ongoing capital initiatives
- Unrestricted reserves remain above fund balance target

28



**LAS VEGAS VALLEY
WATER DISTRICT**

29

BIG BEND
Water District

**2023-24
BUDGET WORKSHOP**



30

Big Bend Water District

	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
SOURCES				
Water charges	\$4,196,902	\$4,212,066	\$4,330,446	\$118,381
System development charges	-	1,748	437	(1,311)
Sales tax	371,721	373,715	417,218	43,503
Other sources	607,994	2,538,000	1,341,000	(1,197,000)
Subtotal	5,176,617	7,125,528	6,089,101	(1,036,427)
Debt issuance proceeds	-	-	-	-
BBWD Sources	5,176,617	7,125,528	6,089,101	(1,036,427)
USES				
Energy	350,983	435,000	425,000	(10,000)
Salaries and benefits	1,737,839	2,736,921	2,820,594	83,673
Operating expenses	1,897,594	2,847,801	2,765,414	(82,387)
Capital expenditures	246,751	3,298,000	2,631,205	(666,795)
Debt service	517,423	517,423	517,423	0
BBWD Uses	4,750,590	9,835,145	9,159,636	(675,509)
BBWD NET SURPLUS/(DEFICIT)	\$426,027	(\$2,709,617)	(\$3,070,535)	(\$360,918)

31

COYOTE SPRINGS WATER RESOURCES DISTRICT

2023-24

BUDGET WORKSHOP

32

Coyote Springs Water Resources District

	Actual 2021-22	Budget 2022-23	Budget 2023-24	Variance \$
SOURCES				
Operating revenues	\$ -	\$ -	\$ -	\$ -
Developer contributions ¹	386	50,000	50,000	-
Total Sources	386	50,000	50,000	-
USES				
Operating expenses	-	-	-	-
Invoiced developer costs ²	386	50,000	50,000	-
Total Uses	386	50,000	50,000	-
TOTAL NET SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -

¹ Per contractual agreement, the developer(s) will reimburse any costs not covered by operating revenues

² Based on recent costs billed to the developer(s)

33



LAS VEGAS VALLEY WATER DISTRICT

34