

Minutes of the Board Meeting of the
TRUCKEE-CARSON IRRIGATION DISTRICT
Regular Session
SEPTEMBER 7, 2012

The Board of Directors of the Truckee-Carson Irrigation District, in the Counties of Churchill and Lyon, State of Nevada, met in regular session at the offices of the District, 2666 Harrigan Rd., Fallon, Nevada, on **Friday, September 7, 2012.**

Call to Order, Roll Call, Pledge of Allegiance

President, Ernest C. Schank called the meeting to order at 9:03 a.m. in compliance with NRS Chapter 241. The following Directors were present constituting a quorum:

Present:	Ernest C. Schank Dave Stix, Jr. Bob Oakden Lester deBraga Eric Olsen Joe Gomes Wade Workman	President Vice President/Director Secretary/Director Treasurer/Director Director Director-Arrives 9:05 a.m. Director
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Others Present:	Rusty Jardine Walter Winder Kate Rutan Paula Utter Mike Adams	District Manager, General Counsel O&M Foreman, Deputy District Manager Assistant Secretary/Office Manager Board Secretary IT/Security
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Guests	Representing
Mike Lowery	Fernley Water User
Bob Gastonguay	Congressman Amodei
Edna Renner	PLPT Tribal Member
Michelle J. Ruize	PLPT Tribal Member
Alvin R. James	PLPT Tribal Member
Elwood Lowery	PLPT Tribal Member
Duane Wasson	PLPT Tribal Member
Merlyn Dixon	PLPT Tribal Member
Dwight Orton	Friends of the Historic Truckee Canal
Steen Swabacker	CC Communications
Chester Caulder	CC Communications
Bob Adams	CC Communications
Rick Lattin	Lattin Farms
George Swetland	ProGroup Management

The following Agenda items are not necessarily in the order they were heard or decided but in the order as approved on the agenda.

CALL TO ORDER

Pledge of Allegiance was led by Director Wade Workman.

General Public Comment

- **Presentation by Mike Lowery, Fernley Water User**

Mike Lowery, Fernley Water User, gave a presentation summarizing his research on TROA and has an active case filed in Federal District Court. The case reinforces the marriage of the ORR Ditch Decree, in that the various claims remain in tact and the rule of law is adhered to. Through his filing he is building a case to the re-establishment that decreed Truckee River waters are prohibited under the final decree, and Project water right, as proposed by Congress under the Reclamation Act be made part, along with parcels of land they are appurtenant to. With respect to the adjudicated claims under the ORR Ditch Decree, several members of the Pyramid Lake Paiute Tribe (PLPT) have filed an Amicus Brief, a brief presented by someone interested in influencing the outcome of a lawsuit but who is not a party to it, in support of his case.

He spoke as to what was said by the PLPT Tribal Council. He believes that the implementation of TROA is to pull back the water from downstream for the benefit of upstream users. One aspect of the plan under TROA is the use of water upstream without Derby Dam diversions to Lahontan Reservoir. TMWA is advocating the importation of Dixie Valley water over Stillwater, so as, our Truckee River water rights will be much easier to get possession of and get it to the upstream users. TROA is being looked at as a new source of water for upstream users off of the backs of downstream users.

Mr. Lowery believes the true motives of those on the Tribal Council who addressed the board last month were not expressed. Tribal Council Chairman, Burke, made comments that were deceptive and disingenuous. His true intension is to decouple the Truckee Canal from the river and dismantle TCID as an irrigation district.

He noted comments made by several individuals. One statement of the Tribal Council meeting of July 16, 2008 by Bob Pelcyger referred to the alignment of certain circumstances that have come together with key aspects regarding the breach of the Truckee Canal. Mr. Lowery also mentioned that Mr. Pelcyger stated, "Circumstances are working to our advantage to get that Truckee Canal closed". He reported that in a meeting with Mary Connelly she expressed being very interested in decoupling the Truckee Canal and would work toward that aspect with Senator Harry Reid. Mr. Springmeyer, Mr. Pelcyger's replacement, stated that closing the canal is the ultimate objective of what he has been hired to do. Mr. Lowery also brought information to the attention of the Board indicating a possible new indictment being brought against the TCID Board of Directors.

These are only a few of the issues brought to the attention of the Board by Mr. Lowery. In closing, Mr. Lowery stated that the parties of TROA and the crippling agenda imposed upon downstream users for the benefit of upstream users is being inappropriately funded with public funds for a program called the Desert Terminal Lakes Program. Mr. Lowery has researched this program and assures the Board it is right for an investigation. The grounds on which the District was originally investigated and individuals indicted for allegedly tampering with the books on efficiency, pales in comparison to what has happened and is happening to the Desert Terminal Lakes Program. Public funds are being used to advance agendas without proper authorization.

Alvin James commented on some of the same issues including the Intertight Program. According to state law, there are several things that must be followed by the State

Engineer when water is transferred from one hydraulic basin to another. Ground water is being transferred from the Truckee hydrographic basin to the Carson hydrographic basin without the state engineer's approval of this activity. The City of Fernley and the Tribe are doing what has previously been denied, without going through the state engineer. He believes this is an illegal act. The City of Fernley's plan is to add more water rights to their M&I, which Mr. James believes is not right or environmentally sound. There has been no environmental impact statement done. This directly affects the residents of Wadsworth. The aquifer under Wadsworth, with massive pumping as projected, would lead to alkalinity and finally mud. These are several reasons why the Tribal Members here today, have filed the Amicus Brief in favor of Mike Lowery's case.

Edna Benner, Tribal Member, also spoke in favor of Mr. Lowery's case and against TROA. The Tribal people would be losing a lot. She stated that many here have attended the Tribal meetings and had been asked to leave. They have been told they must discuss their issues with Tribal lawyers. Approximately one month ago Edna attended another Tribal meeting. She refused to leave and listen to what the Tribal lawyers had to say, as it is their right to attend as Tribal members, as well. This Tribal Council and the Tribal lawyers are not looking out for the best interest of their tribe as a whole.

Michelle Ruize, Tribal Member, also expressed concern about TROA. She read a letter she will be sending to Congressman Amodei regarding her and other Tribal members concerns. In the letter, she requested a congressional investigation of the Desert Terminal Lakes Program. She stated that racketeering charges should have been placed against Senator Harry Reid, as he is passing legislation which profits his family. Rory Reid, Senator Reid's son, is Vice-President of the water company that will profit from the water that would be exported from the Pyramid Lake Reservation. Additionally, Tribal Chairman, Wayne Burke, Vice-Chairman, Mervin Wright and Tribal Councilwoman Sherri Ely's bank accounts should be subpoenaed. This should be done in order to ascertain whether or not payoffs have occurred within the last ten years for their part in passing the TROA Agreement and the Desert Terminal Lakes Program.

Elwood Lowery, former Tribal Chairman. He stated that NRS 101.618 Section 207 pertains to the endangered species act. As Fisheries Director for the Tribe, he has issue with 101.618. Many fish are killed on Pyramid Lake all the way from Marble Bluff dam to the Animal Island area. A letter has been written to the Tribe about this, and they do nothing. It is disturbing to see how money is distributed when there is no erosion control or habitat improvement on the river going on. 58,000 AF of water is destined for the Reno/Sparks area in the future if nothing is done. This takes water away from all of us in downstream areas. There is a shortage of water already, with or without TROA. There has never been a computer model in place that shows how the downstream users will be taken care of with TROA, only upstream users.

Mike Lowery stated the group here today has come up with some very viable ideas to the issues at hand.

The Board would like the opportunity to further discuss these issues and will set up a meeting to do so.

RECESS

A **motion** was made by **Director Dave Stix** to recess for a litigation session at 9:37 a.m. seconded by **Director Joe Gomes** and the motion was unanimously approved.

RECONVENE

The Board reconvened at 11:18 a.m.

Approval of Agenda

A **motion** was made by **Director Dave Stix** to approve the agenda excluding USFWS, Bureau of Reclamation and Item #4 of New Business seconded by **Director Bob Oakden**, and the motion was unanimously approved.

Approval of Prior Meeting(s) Minutes

A **motion** was made by **Director Lester deBraga** to approve the Regular Session Board Meeting Minutes of August, 2012 seconded by **Director Joe Gomes**, board requested public comment, and the motion was unanimously approved.

Consideration/Possible Action – Treasurer’s Report - 2012 Monthly Disbursements

Director deBraga reviewed the Treasurer’s Report and disbursements for June and July, 2012 with the Board.

A **motion** was made by **Director Lester deBraga** to approve disbursements for the month of June, 2012 with check numbers 30387 – 30493 with the exception of check numbers 30390 and 30391, dated 5-21-2012 seconded by **Director Eric Olsen**, board requested public comment, and the motion was unanimously approved.

A **motion** was made by **Director Lester deBraga** to approve disbursements for July, 2012 with check numbers 30494 – 30641 with the exception of check numbers 30637, 30638 and 30639, dated 8-1-2012 seconded by **Director Bob Oakden**, board requested public comment, and the motion was unanimously approved.

A **motion** was made by **Director Lester deBraga** to accept the Treasurer’s Report and pay any outstanding bills that need to be paid seconded by **Director Eric Olsen**, board requested public comment, and the motion was unanimously approved.

Director deBraga reported that this year’s budget will be a conservative one. It is now in a new user friendly format so the Board can better view and understand the numbers as a whole. Jim Johnson, Financial Consultant, worked with the District in putting together the budget and the new format. There are restrictions on several accounts with respect to what can be spent. As a committee they plan to hold the budget to the line in order to make it work.

President Schank confirmed that the LGIP funds were still at First Independent Bank. Only balances are showing on the balance sheet for the LGIP. There is a separate emergency fund, which is required by the Bureau. TCID continues to keep track, independently, of the investment funds. When funds are received from the different County’s, 10% of the O&M is taken and deposited into the Conservation Fund while District General is broken out. The power generation is also broken out. Interest received is the only money that goes in to each individual account.

President Schank has some concern with the electrical, land acquisition and building funds. These are funds that, by Board resolution, were established. If they are going to be done away with, Board action needs to be taken. Depreciation has also been added to the current budget.

Director Stix compared payroll budgets from past years noting that it had jumped from 2012 to 2013 with well over a \$160,000 increase. This happens annually due to many factors including increases in insurance, payroll taxes and other issues. This will continue to increase with no increase in income. This must be compensated for each and every year. He questions why, then, with the increase in staff, water users must come to the O&M Committee Meetings to have address issues they need to have done. **Director Olsen** stated that although the workforce was severely cut several years ago, TCID continues to rebuild those workforce numbers. The O&M department has equipment and not enough staff to run it. The staff is spread very thin on projects within the District, which makes it difficult to get everything done that is requested. It is very important to continue to invest in an increase in labor.

Director Olsen stated that it has been suggested to the Finance Committee that the District write off \$271,000 in bad debts, rather than keeping them on the books. Many individuals who owe a large chunk of this money do not believe they owe the money, mostly District General, as they are not water users or water right owners. Most of the bad debts are government entities such as Bureau of Land Management and municipalities that believe they are exempt from paying these fees. There are also individuals who owe on items purchased from the District, such as pipe and projects completed on private ditches, such as installation of new structures, etc. The finance committee does not want to write off this amount in bad debts. There will be consequences for not paying what you owe and TCID is willing to take some sort of action on these bad debts. They have tasked Rusty Jardine, District Manager, with researching the legality of writing off these debts not being paid by government entities, and others, and to present a possible solution.

Rusty stated that the week of September 24, 2012, he and **Director Olsen** will be meeting with Kate Marshall, State Treasurer. They will address the possibility of refinancing the TCID debt, currently with First Independent Bank of Nevada, through the State of Nevada Bond Program. They will report back to the Board.

A **motion** was made by **Director Lester deBraga** to approve the 2012-2013 fiscal year budget as presented seconded by **Director Eric Olsen**, board requested public comment, and the motion was unanimously approved.

Review of District Matters with District Manager and Supervisors

- **Rusty D. Jardine, Esq., District Manager**

Rusty reported regarding a conversation with Kenneth Parr, Bureau of Reclamation. Mr. Parr told Rusty that pursuant to the state of the District's water delivery records as being non-trustworthy, the fact that there are questionable issues with farm units which raises red flags with record keeping, and the issue of stock water lines in the Truckee Division, the Bureau will not provide the District with incentive credits for 2008, 2009 and 2010.

Director Olsen stated that the District has been inquiring a very long time for the Bureau to provide an answer as to these incentive credits. This response has proven the Bureau not to be very trustworthy in their response to the District. If there had been a problem as far back as 2008 that was brought to the attention of the District, it could have been

addressed. **President Schank** stated that this was also a breach of contract. He stated that OCAP is very specific about the time limit the Bureau has to finalize on incentive credit reports, annually. He believes that it is within 60-days of the end of the irrigation season. The 1996 O&M Contract with the United States Bureau of Reclamation specifically states that the District will carry out and abide by, as well will the Bureau, the applicable OCAP. This has a direct affect to the Lahontan targets and the ability for the District to divert water. This does not build trust within the District's relationship with the Bureau. The Contract does not require the District to be mechanically under a recording regime of measuring water until this year, with a requirement to have 75% of the Project metered.

• **Kate Rutan, Office Manager**

Kate reported that the Access programmer will be in town on September 27th to firm up the program upgrade. Testing will begin by TCID at the end of the water season.

Kate responded to the Stetson Engineering responses regarding irrigated acreage for the 2011 irrigation season; the Carson Division Demand for 2011 and adjusted storage objectives for 2012-2013.

Nola Mitchell, Hydrologist, Bureau of Reclamation, will be leaving the Bureau to work for a private company in Lake Tahoe.

• **Walter Winder, Deputy Project Manager/O&M Foreman**

Walter reported the following on Hydro:

Location	KWs
26' Drop	500 kw
New Power Plant	1,600 kw
Old Power Plant	800 kw
TOTAL:	2,900 kw

Next Monday the ditch rider staff will be cut to two at night and three during the day.

Walter reported the following water storage levels data:

Lahontan Elevation	4122.93	Feet
Lahontan Storage	50470	Acre Feet
Lahontan Out Flow	615	CFS
Carson River Flow At Fort Churchill	.99	CFS
Truckee River Flow At Vista	367	CFS
Truckee Canal Flow At Wadsworth	191	CFS
Truckee Canal At Hazen (Bango)	94	CFS
Truckee River Below Derby Dam	123 (target changed to 112)	CFS
Spilling At Gilpin Approximately	0	CFS

Diverted Last Month	41903	AF
Delivered Last Month:	30149.13	AF
Efficiency Last Month:	72*	%
Year To Date Diverted:	197902	AF
Year To Date Delivered:	132962	AF
Year To Date Efficiency:	67.2	%

- ★ Subject to Bureau of Reclamation review and adjustment.

Walter reported on where we are on depletion. As of 9-6-2012 there was 51,348 AF in Lahontan the balance on the books for the Carson Division is 44,655 AF allowing a 6,685 carry over if everyone uses their 90% allocation. Water levels are on track according to the forecast. Walter would like to end the season with 7,500 AF in Lahontan.

There is no action on the seeps. The Tunnel #3 Seep is virtually gone. There is no action on the Steampad Seep. There is some action on the Red Barn Seep in Hazen.

Monday, crews will begin work on the TC10 to get the stock water line put back together. The only one that won't be hooked up yet will be the TC1. This will be completed when approved by the Bureau.

1. **U.S. Fish & Wildlife Service Representative(s) - Wetlands Issues**

Not in attendance.

2. **Bureau of Reclamation - Lahontan Basin Area Office Representative(s) - General Updates**

Not in attendance.

3. **ProGroup Workers Compensation Presentation - George Swetland**

Mr. George Swetland gave a report on what ProGroup Management Worker's Compensation could do for the District. TCID is currently on an involuntary market list which is assigned risk for those who cannot get worker's compensation anywhere else. Mr. Swetland let TCID and the ProGroup safety crew to visit the Lahontan Dam, which caused TCID to be on the involuntary market list to begin with.

ProGroup manages five of the largest self insured groups in the State of Nevada that provide worker's compensation to employers in Nevada. ProGroup stresses safety *heavily*. Due to the perceived risk of the tower exposure, TCID has provided much more than the safety crew expected to find as far as safety. This is compliment to TCID staff and management in the area of safety and how the operation is run. From a cash flow standpoint, ProGroup will be able to save the District nearly \$8,000 per year in premium costs. When the initial payment is made, it is not considered as a deposit but is used immediately and is exhausted until the next payment is made. There is a report and pay monthly system used with ProGroup. TCID will also submit quarterly financials. There is a 120-day notice of cancelation to be given should TCID decide to cancel ProGroup. Any current claims will be run by TCID's current carrier.

There will be a full-time safety engineer assigned to the TCID account and will be able to work directly with the Tower staff regarding any issues regarding OSHA 1030 training, safety training and first aid and CPR. This saves as TCID would not have to hire out to bring these services in. The charge would be for materials on the first day any training. There is a three year underwriting cycle as most claims are closed within a three year period in the State of Nevada. Any profits left over are returned to the members either in the form of a dividend, rate decreases or payment holidays.

ProGroup provides a service through a company in Carson City called Employer Lynx, which provides pre-hire background checks. TCID is currently paying \$69 with the same company and with ProGroup it would only be \$25.

Director deBraga stated that anytime money is saved it is good business. If the coverage is available there is no reason to not change to ProGroup. **Director Olsen** stated that it is important for TCID to have the extensive coverage. He was assured that overtime hours would be discounted, as well. **Rusty** stated that he like the proposal and, foremost, our contact resides in Fallon and is available to the District, directly.

The cancelation form is a flat rate cancelation from the current insurance company. What ever date the District decided to cancel with the current carrier, ProGroup would make their program effective that date. TCID would notify the present carrier who would then issue a cancelation of the same date and perform an audit for the period of time TCID was with them. **Rusty** was asked by Mr. Swetland to draft the cancelation letter.

A **motion** was made by **Director Dave Stix** to change the District's current workers compensation program to ProGroup Management under the Nevada Transportation Association SIG (Self Insured Group) based on information provided today seconded by **Director Eric Olsen**, boards request for public comment.

There was a short discussion regarding current premiums owed, which would be taken care of with an immediate audit by the current carrier.

The **motion** was **amended** by **Director Dave Stix** to reflect a commencement date of September 15, 2012 and notify our current carrier of the change seconded by **Director Bob Oakden**, boards request for public comment, and the motion was unanimously approved.

The vote on the **amended motion** which is to change the workers compensation carrier from Liberty Mutual to Nevada Transportation Association SIG effective September 15, 2012, and the motion was unanimously approved.

4. **Appointment of Community Technology Advancement Committee.**

A committee composed of local government representatives, and others, advancing technology and science education, generally, and advancing specifically the creation of future training programs to meet the needs of government and industry.

Bob Adams, Chester Caulder and Steven Swabacker of CC Communications gave a presentation on Managed Data Services with an emphasis on education and a new service that they will be launching on October 1, 2012. There will be a reception to celebrate.

Chester assured the Board that they were not going anywhere but they will be changing a bit. They are developing into a different organization to keep up with the 21st century. There will interaction with the entire infrastructure within Churchill County. Agriculture, Water, Energy and Education groups will be working together in order for this community to be successful. CC Communications envisions working within education to promote future jobs to those individuals currently in school. There will be a place in Churchill County in the future to work in these fields.

CC Communications will be branching out into new areas of service provided such as automation, security, high speed internet services, back ups and they will also be selling computers and services. Fiber optic pipe has already been in some areas of Churchill County and Reno.

RECESS

A **motion** was made by **Director Eric Olsen** to recess for lunch at 12:27 p.m. seconded by **Director Joe Gomes** and the motion was unanimously approved.

RECONVENE

The Board reconvened at 1:17 p.m.

NEW BUSINESS

Consideration/Possible Action:

1. **Churchill County Museum Assoc. Loan Agreement**

The Board reviewed a photo presentation of items currently on loan to the Churchill County Museum and a list of items that have been returned to the District.

A **motion** was made by **Director Eric Olsen** to approve the Churchill County Museum Loan Agreement after the museum's inventory list is updated by the museum seconded by **Director Lester deBraga**, board requested public comment, and the motion was unanimously approved.

2. **Truckee Canal Seeps**

This item was reported on by Walter Winder under staff reports.

3. **Budget for Fiscal Year 2012-2013**

This item was reported on and approved with Treasurer's Report.

4. **RESOLUTION Authorizing TCID to Enter into a Public Bonds Program Offered by the District**

This item was removed from the agenda.

OLD BUSINESS

1. **Consideration/Possible Action: Closed Session Litigation Meeting**

2. **Consideration/Possible Action: Authorization by the Board of Directors directing legal counsel, for the Truckee-Carson Irrigation District (District) to do or assert, or to make application for, or to do or perform such other act or acts, duty or duties, as is/are/or may be necessary, as to any/all**

lawsuits now pending or threatened in which the District is or may be a party, in the Courts of the State of Nevada, or of the United States of America, consisting of the advancement, cessation, or dismissal, or settlement thereof, any/all case(s), claim(s), defenses(s), immunity(ies), remedy(ies) at law or in equity, entitlement(s), negotiations(s), protection(s), right(s) or the waiver(s) thereof, resolution(s), or dismissal(s), existing under, or accruing from, applicable state or federal rule or law, in any such pending or threatened litigation, including, without limitation, the breach of the Truckee Canal at Fernley, Nevada, in January, 2008.

Possible Recess to Convene Attorney/Client Consultation

3. **Re-Evaluate Water Allocations**

There will be no changes to the District’s water allocation for the remainder of the year.

4. **RESOLUTION for Settlement of Claims Relating to the Truckee River Operating Agreement and for Settlement of Fernley Flood Litigation.**

A RESOLUTION AUTHORIZING COUNSEL FOR THE TRUCKEE-CARSON IRRIGATION DISTRICT (TCID) TO ENGAGE IN SETTLEMENT DISCUSSIONS RELATED TO THE MATTER OF CASE NO. CII8948 FILED IN THE THIRD JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA IN AND FOR LYON COUNTY, OTHER PENDING LITIGATION, AND PROVIDING FOR RELATED MATTERS

This has to do with the fact that the District is involved in multiple pending cases in both State and Federal Court.

His changes are as follows: That legal counsel for TCID in the matter of the Reynolds Case and all other cases relating to the breach of the Truckee Canal in January of 2008, be in the same is authorized to engage in settlement negotiations for the Resolution of all claims and causes of action relating to the said breach. That any agreement proposed in the matter be settled subject to final approval by the Board of Directors in accordance with the provisions of NRS 241, the open meeting law, and NRS 539, law governing an irrigation district, as applicable, including approval by District electors as necessary.

A **motion** was made by **Director Bob Oakden** to approve RESOLUTION 2012-11 seconded by **Director Lester deBraga**, board requested public comment, and the motion was unanimously approved.

Consideration/Possible Action: Director’s Compensation

Ernest C. Schank	\$280.00
Dave Stix	\$271.00
Bob Oakden	\$160.00
Lester deBraga	\$195.00
Eric Olsen	\$100.00
Joe Gomes	\$0.00
Wade Workman	\$160.00

A **motion** was made by **Director Bob Oakden** to approve payment of the Directors Compensation for the month of August, 2012 seconded by **Director Joe Gomes**, board requested public comment, and the motion was unanimously approved.

O&M Committee Recommendations
Dave Stix, Committee Chair Reported

USFWS was not represented at this meeting.	
Rusty informed the committee about an incident in the Truckee Canal that had happened the previous weekend. A young girl swimming in the Truckee Canal became trapped against the boards at the Fernley Check. There was some confusion when the District was contacted to assist in the rescue as to the location of the emergency. The language and terms used by the First Responders did not help the District understand where the emergency was. Rusty felt that if Emergency responders could have maps of the District canals and laterals labeled with check structures and names of laterals things would go a lot smoother.	
1. <u>Review Accident/Incident Reports and Damage Claims</u> Board Action Required.	There were no damage claims or Incident reports.
2. <u>Review Conservation Work Orders Balance Sheets for May 2012</u> No Board Action Required.	The committee reviewed the Conservation Work Orders report for the month of July. The annual budget is \$280,117 and of that we have spent \$8,479 or 3.03%. It was asked what happens to the amount that we were over budget last year. Rusty explained that the \$18,683 that was over budget is not rolled into the next year. It is money that the District pays from another pot, as according to the O&M Contract only money that is not expended can be rolled into the next year.
3. <u>Review Concerns of a Water User in the Truckee Division - John Forster</u>	<p>John Forster was present to ask the committee what he could do to prevent his property from being flooded when some on the same lateral irrigates and uses more water than his ditches can handle. He was flooded when a gate was left open to his property. He wasn't sure if it was his responsibility or the Ditchriders to make sure gates are open or closed that need to be when water is put down the ditch.</p> <p>There was a discussion about the inefficiencies of the delivery system in the Truckee Division. Ernie suggested a subdivision policy but it could be some variation of that. The Fernley Pipeline could be a part of that solution. Walter will go out and look at what can be done with Mr. Forster's property.</p> <p>Ernie stated that if something can be done to make the Truckee Canal deliveries more efficient it would benefit the Carson Division by allowing more water to flow to Lahontan.</p> <p>Mr. Forster wanted the District to know that the Ditchrider and the staff he has dealt with have been wonderful, helpful and courteous.</p>
4. <u>Review Complaint of Kathy Mort and Candy Peck</u>	Candice Peck was present to ask for a full time Ditchrider in the Stillwater area. Her and Kathy had attended the Regular Board meeting on August 7 th and made public comment about the irregular flows during their delivery which wastes water and their time. She also felt that there

No Board Action Required.

needs to be more communication with the Ditchrider to let them know who is getting the water after them and who they are following. Lester deBraga was present as he is the Board member that represents the Stillwater area and he himself has a farm that he runs in Stillwater. He doesn't think that a dedicated Ditchrider is as important as communication. He also thinks that the new Ditchriders coming up don't understand how to keep a bay built up and maintained throughout an irrigation. Being able to hold a bay steady is an art learned by experience. The experience of the water users themselves would be the best resource the Ditchriders can call on and use. Rusty felt that better training of the Ditchriders during the off season for the ones that we can keep and bringing the new Ditchriders on early in March. Davy suggested that the Ditchriders meet with the water users during the Water Users meeting held in March like they do in Fernley. Walter stated that the responsibilities of Ditchriders in the Carson Division are very different from the Truckee Division. The Truckee Division has a dedicated Ditchrider that knows everybody and their needs. The Carson Division is much larger and requires Ditchriders 24/7.

Related Matters

Pete stated that Shaw Engineering still needs a letter of concurrence. Walter said that he will look at it.

Ernie thinks that a map of the area could be used to consolidate some of the areas. Davy suggested that we take small bites and do one section at a time. Walter thinks that the Pipeline could resolve some of these issues. Ernie feels that the Ditchrider could do one section at a time and not have to be spread so thin covering all the different areas. A Project in the Truckee Division will be implemented this winter to make delivery more efficient. Davy stated that he will talk to the Friends of the Truckee Canal about this issue.

Davy stated that Bob Oakden had asked about the issue with Sam Hiible and establishing the losses for his ditch. Walter stated that Dr. Styles had assessed the meter and determined that there was a problem with the meter. Rusty will send a letter to Mr. Hiible informing him of the resolution to this issue.

Ernie would like to assist the water users to insure that they have enough water to irrigate. In the early days of the Project the duty was based on the average rather than the bench bottom. It wasn't until the politics of everything got involved. There are areas where 4.5 is not enough and places where 3.5 is too much. Ernie states that Nevada Law of beneficial use is the amount of water need to raise a crop. We may need more water. The Truckee Division is not being served with the amount of water that they are allowed to get. Walter thinks that an analysis of the soils by NRCS could be done to determine the actual water needs based on the soil not an assigned duty. A standard must be in place that will definitively establish a duty that will raise a crop in accordance with the law of beneficial use.

Ernie stated that Fernley could lease their water to areas that don't have enough water to raise a crop.

There was no Public Comment.

Davy asked Pete how the Steam Pad Seep is doing. Pete stated Kingsetts has come to the Bureau asking them about a letter that the District sent him regarding options that were available to mitigate the water that continues to seep. Walter talked to Gradient and they are not unhappy with the amount that is seeping. The bentonite application has made a big difference in the Seep.

Rusty has gone to the Tunnel 3 Seep and noticed that the seep in that area has diminished because of the Bentonite application.

Davy filled in the committee about the meeting of the City of Fernley regarding a Tire recycling outfit being built on the Lyon County line by Hazen.

In the Field

- The committee did not go into the field.

This winter the District will work with the Friends of the Truckee Canal to revisit the issue of how water is delivered within the Truckee Division to determine how to provide them with more assistance in irrigating.

Committee Reports

- **Policy Committee**

Wade Workman reported that it has been brought to his attention that irrigators could be entitled to a certain percentage of additional water determined by the type of crop they intend to plant.

President Schank and **Rusty Jardine** recently spoke with the State Engineer. They discussed the Farm Unit Policy and the temporary transfer process being used by the parties of TROA and it's affect on the District. They had the same discussion with the Federal Water Master. As there is no hearing process related to the temporary transfers, TCID is unable to present any information as to the affect it has on the District. In addition to addressing these issues with the Federal Water Master, they also discussed the Truckee River Agreement of 1935 including the ORR Decree General Provisions.

There are several General Provisions that have peeked interest. The Truckee River Agreement was a negotiated settlement between Truckee River General Electric Co. (SPPC) and TMWA; the upstream interest of the ORR Decree; and those that divert between the Truckee Meadows and Derby Dam. It was to make sure that everyone's water demand was met in a normal year. This is where the 500 CFS came into effect, to make sure that everybody has their decreed rights. There is a provision included, stating, if you do not receive your water under a normal year, you can petition the Federal Water Master to increase diversions from the upstream reservoirs. TCID has never done this. If TCID is going to live by the Decree, the General Provisions need to be addressed.

The General Provisions provided for making application for 10% more water on a specific piece of ground (about one irrigation) for new seeding alfalfa. Small grain new seeding would receive only 2/3 of their water and a Corn crop would receive 4/5 or their water. The specific ground would need to be identified and verified. President Schank is putting together a draft policy for review by the Board regarding this issue. The Board would need to employ someone, independent of TCID, on a contract basis, to monitor the specific ground. This contractor would verify that those individuals who have applied to the District for the new seeding water are, in fact, planting the specified crop. If they are double cropping with small grains, they would then receive a full allotment of water. This concept could only be used in 100% water years. This will be further explored.

A policy committee meeting will be held later this month. They will address the issue of acreage irrigated being included on the adjustment form, the 15-day time limit for requesting an adjustment once the card has been received, and the Farm Unit Policy.

- **Mid-Pacific Water Users Conference**

Bob Oakden will be participating in a conference call on September 27, 2012. He will report back to the Board.

- **Carson Lake Pasture**

Lester deBraga reported that a motion was made at the meeting for a request to be made to the Bureau asking for an increase in the number of cattle grazing while moving from area to area. The Greenhead Hunt Club stated that they would like to see an increase of 400-500 head.

Board action taken: A motion was made by **Director Lester deBraga** on behalf of the NDOW, Carson Lake Pasture Advisory Committee and the Greenhead Hunt Club to increase the number of cattle by 400-500 head in different areas seconded by **Director Joe Gomes**, board requested public comment, and the motion was unanimously approved.

There are also perimeter fences in disarray and it is being researched as to who is responsible for fencing, as well as fencing the lake. Also being researched is durable portable electric fencing.

The next meeting will be held on February 5, 2013 at 7:00 p.m.

President Schank suggested that the Bureau be asked to replace fencing and how they would like to handle that. Rusty was asked to address this issue.

Conferences

- **President Schank** reported that the National Water Resources Conference (NWRC) October 31-November 2, 2012 in San Diego, California. Kate was asked to make an appointment with Don Glaser during the conference.

The Board has no objections with President Schank attending the conference. Rusty will also be attending.

ADJOURN

A motion was made by **Director Lester deBraga** to adjourn the meeting at 3:59 p.m. subject to the call of the Chair seconded by **Director Dave Stix**, and the motion was unanimously approved.

Ernest C. Schank, President

Bob Oakden, Secretary

October 8, 2012

Date