



AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: OCTOBER 3, 2007

DEPARTMENT: CITY MANAGER
DIRECTOR: DOUGLAS A. SELBY

Consent Discussion

SUBJECT:
ADMINISTRATIVE:

Report by the General Manager of the Las Vegas Valley Water District and Southern Nevada Water Authority on the status of the drought, conservation efforts, water infrastructure projects and related activities in all Wards.

Fiscal Impact

No Impact

Augmentation Required

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

The Southern Nevada Water Authority (SNWA) is the designated agency for regional water planning in the greater Las Vegas Valley. The Las Vegas Valley Water District (LVVWD) is the municipal water purveyor responsible for transmission and delivery of water to residents and businesses within the City. The general manager of the SNWA and LVVWD will be presenting an update on various water issues and activities that affect the City of Las Vegas, including the regional drought, ongoing discussions concerning the Colorado River, the status of conservation efforts within the Las Vegas Valley, and regional and local water projects.

RECOMMENDATION:

Report only, no action required.

BACKUP DOCUMENTATION:

Submitted at meeting Hardcopy of PowerPoint presentation by Pat Mulroy

Minutes:

No motion required. A report was given.

PAT MULROY, Executive Director of the Las Vegas Valley Water District (LVVWD), reviewed a detailed PowerPoint presentation, a copy of which is made a part of the minutes, regarding the status of the drought and the conservation efforts. Unfortunately, the seven-year drought persists, and there has been no abatement for it in the Colorado River Basin, which supplies 90 percent of the water to all of Southern Nevada, and the water levels in Lake Mead continue to decline. Hence, alternative measures are being sought, such as the construction of a third intake at Lake Mead in order to mitigate the impact of losing Intake No. 1, which must remain at a level higher than 1,050 feet in order for Hoover Dam to generate power; banking

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water; developing unused supplies in Nevada; funding infrastructure in exchange for water; studying the potential for desalination; and aggressive demand management.

MS. MULROY noted that one of the key components of water management is conservation, to which all entities and residents have been unbelievably responsive. But there is more work to be done. A significant portion of the increased water use from 2005 to 2006 is believed to be a result of excessive heat rather than growth.

Nevertheless, the world is different today from ten years ago, with a high degree of unpredictability; therefore, diversification, such as water management, conservation, facilities management and new resources, is necessary in order to address the shortfalls, as relying on conservation alone would be irresponsible.

COUNCILMAN ROSS noted that he has been absolutely impressed with the efforts of the LVVWD to ensure the residents' quality of life. He then mentioned that he frequently asked the question: How can growth be permitted with the water shortage? MS. MULROY answered that resources will always be an issue in Southern Nevada, no matter of how growth takes place. Because Southern Nevada reuses every drop of water, it is very judicious in how it designs the outside areas of the community. Southern Nevada has the opportunity to develop the available land in this valley. COUNCILMAN ROSS discussed with MS. MULROY that human interaction with and the ability to manage the wildlife in Northern Nevada allows for better management of water resources, because he realized that this is not just a Southern Nevada issue, but an issue that affects the entire State of Nevada.

COUNCILMAN WOLFSON commended MS. MULROY on giving one of the best presentations he has received. He then questioned how Intake No. 3 would be funded, to which MS. MULROY replied that the current estimated cost is \$800 million, but she believes it will cost approximately \$1 billion, mainly because of unpredictable construction costs. It will be paid for through the capital funding program, which is made up of connection charges (57%), a ten cent regional water rate and sales tax. It is a stable income stream. As far as water conservation mandates, they are only placed upon new development. The property owners in existing areas do it on a voluntary basis. A review of the water rate structure is in progress, but pricing alone is not enough; people have to have the education on how to conserve and use less water. She anticipates that the rates will change, according to water use, and water bills might include differential rates in the summer and winter.

Regarding the groundwater project, COUNCILMAN BROWN discussed various amounts out of the basin draws from the groundwater sources. MS. MULROY identified land purchased and preservation of the ecology in the vicinity of the Muddy River. COUNCILMAN BROWN confirmed with MS. MULROY that the Western Area Power Administration, which answers to the Secretary of the Interior, oversees the power from Hoover Dam.

COUNCILWOMAN TARKANIAN stated that she has been impressed with the knowledgeable management and staff at the Southern Nevada Water Authority. At the request of COUNCILWOMAN TARKANIAN, MS. MULROY mentioned that the families that are

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working at the ranches for the LVVWD are in a wonderful position, and the alfalfa farms support the cattle operation. The families that sold their ranches made a significant profit and were able to retire comfortably. Those who wish to remain are offered help deepening wells and other assistance. The Water Authority is looking at partnerships with agricultural use to the mutual benefit of both the urban and rural users.

MAYOR GOODMAN thanked MS. MULROY for her report. Assuming the current rate of local growth and that the drought continues in the West, he asked MS. MULROY if there will come a time when the water supply will dry out even with all the efforts taken. MS. MULROY answered that the relocation of the 30 million people that reside west of the Rockies and the decimation of California, which is the fifth largest economy in the world, is unlikely. To that end, the possible loss of the water supply would require solutions on a national level. Perhaps there would be a need for national dialogue on whether the arid Southwest should use its water resources to continue to be an exporter of cubed alfalfa and Sudan grass into the global market, as well as identifying larger solutions and methods of moving water from different locations. But that could not occur until the ups from the Colorado River Basin have been thoroughly examined.

She then compared the Mississippi River, which yields 40 billion acre feet, to the Colorado River Basin, which, at its peak, yields 2 billion acre feet a year. She noted that, given the capacity of the Mississippi River, a national dialogue would be inevitable should the water situation become dire. MAYOR GOODMAN added that Las Vegas is in the same position as San Diego, California, and he does not understand why it has not yet been classified as an emergency. He asked if there is anything the City could do to start a national dialogue on the situation, because officials should not wait until an emergency situation emerges in order to start looking for solutions. It seems it is not a matter of priority to Congress. MS. MULROY responded that the issues are all political, opining that the timing is not right. MAYOR GOODMAN disagreed and directed CITY MANAGER SELBY to explore the possibility of starting the necessary conversations to potentially divert water from the Mississippi, as he does not believe it would be premature to do so.