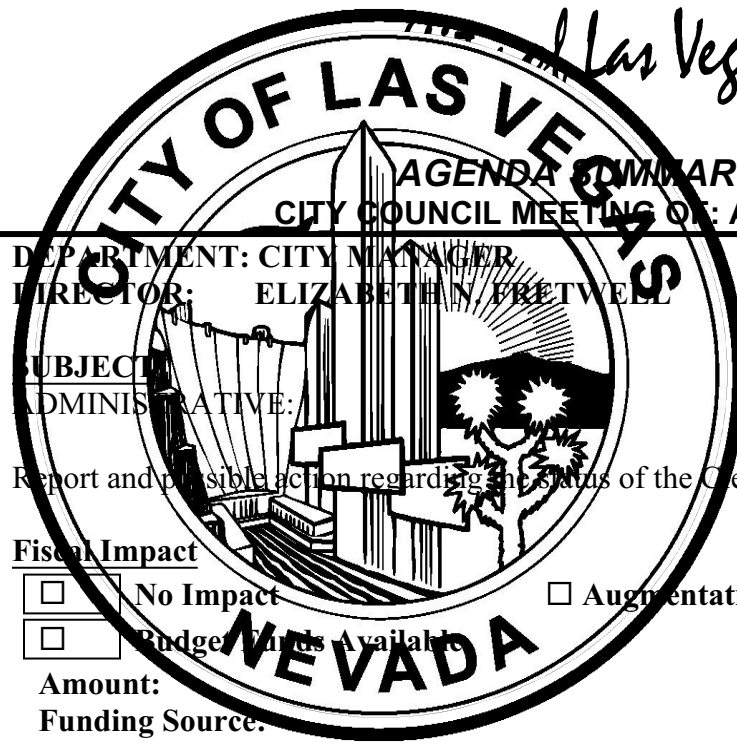




Las Vegas

Agenda Item No.: **64.**

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: AUGUST 18, 2010

DEPARTMENT: CITY MANAGER
DIRECTOR: ELIZABETH FRETWELL

☐ Consent ☒ Discussion

SUBJECT:
ADMINISTRATIVE:

Report and possible action regarding the status of the Clean Water Coalition - All Wards

Fiscal Impact

☐

No Impact

☐ Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

The Clean Water Coalition (CWC) was established in 2002 under NRS 277 to administer and implement the System Conveyance and Operations Program (SCOP). Because of reduction in wastewater flows due to the slowdown of development, improvements in lake water quality, and changes in technology to treat wastewater, the SCOP project was suspended by the CWC Board at their February 23, 2010 meeting until 2012, at which time a determination would be made on the future of the system. Funding of this governing body is through Sewer User surcharge fees of \$7 million annually from all member agencies, including the City of Las Vegas.

The future role of the CWC is now being examined to see if there is still a need for this governing body. It has been suggested that the member agencies provide an official position through their City Council or County Commission on the future of the CWC.

RECOMMENDATION:

Receive report and direct staff as appropriate on the Clean Water Coalition

BACKUP DOCUMENTATION:

Submitted at Meeting Email correspondence from Mark Calhoun, Henderson City Manager by City Manager Elizabeth Fretwell

Motion made by STEVEN D. ROSS to Accept staff's report, direct CITY MANAGER ELIZABETH FRETWELL to forward the Interlocal Agreement amendment to the managers of the other member agencies for consideration of their governing boards and place an item on an upcoming agenda allowing the City Council to vote on withdrawing from the Clean Water Coalition

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

RICKI Y. BARLOW, LOIS TARKANIAN, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE, STEVEN D. ROSS, STAVROS S. ANTHONY; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

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Minutes:

JORGE CERVANTES, Director of Public Works, paraphrased the Purpose/Background Sections and reported on the five directives given to staff at the April 7, 2010 City Council meeting. To date, 1) no additional staffing has been approved under the budget, 2) the proposed Fiscal Year 2011 budget was adopted at 7 million dollars, which translates to no reduction in the current \$7.70 fee per user, 3) no additional capital projects have gone forward but the CWC is considering a needs analysis which would require funding that was not inclusive of the original budget, 4) an amendment to the Interlocal Agreement was made that allows any member of the CWC to withdraw from the respective agency if deemed appropriate and a written notice is provided, and 5) the distribution of any remaining funds to the member agencies is contingent upon CWCs status and the pending lawsuit between the CWC and the State of Nevada. MR. CERVANTES informed the Council that the City of Las Vegas has submitted a written notice to the CWC Manager, who has responded that based upon the CWCs counsel, the CWC is not at liberty to proceed with the amendment or distribute to other member agencies.

As part of this report, staff is seeking reaffirmation of those directives given at the aforementioned City Council meeting.

COUNCILMAN REESE asked if other member agencies that serve on the CWC have had discussions and CITY MANAGER ELIZABETH FRETWELL referred to correspondence she received on August 12th. She submitted the email from MARK CALHOUN, City Manager of the City of Henderson, which included a draft letter suggesting all four City Managers sign and return to Chairman Brown, which basically indicated there was no need for the SCOP project to continue, thus no need for the CWC to continue in a regional role. In addition, the regional wastewater treatment facilities could handle the task of the needs assessment. CITY MANAGER FRETWELL was aware that the North Las Vegas City Council has this item on their agenda; they did not have the report that was distributed to this Council several months ago but will now review it.

COUNCILWOMAN TARKANIAN believed that City representatives have been leading the city in the right direction. Given that SCOP is no longer needed nor has any goals at this time, she did not think it was prudent to utilize tax payers monies for the needs assessment when the City is already facing pertinent budget issues.

MR. CERVANTES confirmed for MAYOR GOODMAN that the City has projected water flows and the member agencies feel they have the capacity to handle the demands for at least 20 years.

Although the City of North Las Vegas will begin their discussion on this issue, MAYOR GOODMAN briefly discussed with CITY MANAGER FRETWELL the fact that the City of Las Vegas has had previous discussions on this issue but the lack of other agencies having discussions as well. She could not confirm at this time whether all of the other agencies were beginning discussions as well, aside from the email received by MR. CALHOUN.

MR. CERVANTES clarified for COUNCILMAN REESE that when CWC was established, seed money was put in by the City of Las Vegas, City of Henderson and Clark County. In 2006, user fees and connection fees were implemented which provided the funding for this agency. Seventy

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-five percent of the funding stemmed from connection fees and 25 percent stemmed from user fees. Currently, the user fee is \$7.70 in the city of Las Vegas and is payable annually.

COUNCILWOMAN TARKANIAN pointed out how absurd it is that the consultants are being compensated with substantial salaries yet the City is experiencing numerous layoffs.

MAYOR GOODMAN discussed with CITY MANAGER FRETWELL and DEPUTY CITY MANAGER JIM NICHOLS the City's stance to withdraw from the CWC; however, DEPUTY CITY MANAGER NICHOLS pointed out that the City can only do so with a unanimous vote of support from all members of the CWC. CITY ATTORNEY BRAD JERBIC added that this Council has to vote unanimously for a withdrawal from the CWC as well as the same vote from the CWC.

CITY ATTORNEY JERBIC explained to COUNCILMAN REESE that whether or not the CWC wins the pending lawsuit, the City does not receive the monies. He believes the State has identified this as a means to address a budget deficit. He clarified for COUNCILMAN WOLFSON that the \$62 million was the subject of a legislative bill which redirected these monies back to the State. The City of Las Vegas as an independent entity, is not a party to the lawsuit. The City of Las Vegas has been asked to file a brief stating to whether or not the State has the authority to take these fees. Still, to the State win, it does not imply that the CWC will cease to collect such fees.

For COUNCILMAN WOLFSON, CITY MANAGER FRETWELL read the correspondence received by MR. CALHOUN and it was her interpretation that the Council's vote would be based upon whether or not they support the goals of the CWC.

COUNCILMAN ROSS agreed with COUNCILWOMAN TARKANIAN's comments and added that the City has to be prudent even more so than ever. He accepted staff's report, directed staff to investigate and take action on the steps necessary to withdraw the City of Las Vegas from the CWC, and directed CITY MANAGER FRETWELL to forward the Interlocal Agreement amendment to the managers of the other member agencies for consideration of their governing boards. CITY ATTORNEY JERBIC clarified that under the existing agreement, a unanimous vote from this Council to withdraw from the CWC cannot be conducted, as that matter is not on this agenda. COUNCILMAN ROSS amended that portion of his motion to reflect that an item be placed on an upcoming agenda so that such a vote can be conducted.