



## TRUCKEE RIVER FLOOD MANAGEMENT WORKING GROUP

July 27, 2011, 3:00 P.M.

### FINAL MINUTES

#### Present:

Name	Representing	Name	Representing
Cynthia Albright	Stantec	Kerri Lanza	City of Reno
Burnham Moffat	FPCC	Marge Frandsen	Hidden Valley HOA
Dody Gustafson	Hidden Valley HOA	Mike Cotter	US Fish & Wildlife
Greg Shannon	Legal Counsel Candidate	Noel Laughlin	HDR
Franco Crivelli	Community Coalition	Jim Litchfield	Director Candidate
Lawrence Meeker	HNTB	Scott Smith	Kleinfelder
Patti Bakker	The Nature Conservancy	Austin Osborne	Storey County
Jon Simpson	Wood Rodgers	Ric Frost	PLPT
Ron Penrose	Truckee Meadows Water Auth.	Bob Ramsey	Rosewood Lakes
Dick Mills	Pick n Pull	Steve Alastuey	Self
Terri Thomas	Eastside Subdivision		

**Staff Present:** Melissa Faigeles, Jay Aldean, Eric Scheetz, Kevin Gorges, Danielle Henderson, Laura McAuley

#### 1. Introductions

A meeting of the Working Group was held on Wednesday, July 27, 2011 at the Truckee River Flood Management Authority Office Conference Room, 9390 Gateway, Suite 230, Reno, Nevada. Melissa Faigeles welcomed the group and invited everyone to introduce themselves.

#### 2. Approval of Minutes

The minutes of the May 25, 2011 Working Group meeting were submitted for provisional approval. Ms. Gustafson made a motion to approve the minutes as submitted. Mr. Laughlin seconded the motion, which carried unanimously.

#### 3. Announcements

Ms. Faigeles reported that she sent an email announcing that the scoping meeting for the Virginia Street Bridge (VSB) is scheduled for Tuesday, August 2 at 4:00 p.m. Ms. Lanza explained that the meeting would include presentation of the final alternatives for the VSB. She added that public comments would be accepted. She clarified that it would be an open house format where people could come and go and added that informational stations would be set up.

Ms. Faigeles stated that today's agenda is based on the Truckee River Flood Management Authority (TRFMA) meeting of July 14.

#### **4. Executive Director and General Counsel Recruitment Update**

Ms. Faigeles reported that recently the Executive Director and General Counsel left the Flood Project so the TRFMA is in the process of hiring replacements. She explained that resumes were received for both positions, which the TRFMA Board short-listed to four top applicants for each position. She stated that in Mimi Fujii-Strickler's absence, Laura McAuley, Administrative Assistant, provided a status report on this item.

Ms. McAuley reported that thirty resumes were received for Executive Director and 23 for Legal Counsel. She stated that the resumes are available online and were part of the agenda book (Executive Director beginning on page 36 and Legal Counsel beginning on page 205) for the July 14 meeting. She reported that the resumes of all applicants were provided electronically to the TRFMA Board on July 8 with a deadline for review and scoring (based on a matrix provided) by the meeting of July 14. Each Director provided a list of his/her top five candidates at the meeting. The results were tallied at the meeting.

Ms. McAuley stated that the top four candidates would be scheduled for interviews (there was a tie for the fifth candidate so only the top four were selected). She explained that the same issue occurred with the candidates for General Counsel. She reported that Ms. Fujii-Strickler would work with Chairman Ron Smith to develop questions for the interviews with input from the Board as desired. She stated that all candidates would be asked the same questions at the next two TRFMA meetings. She added that the Executive Director interviews would be scheduled for October 14 and would be the first item on the agenda. She stated that General Counsel interviews would occur at the regularly scheduled September 9 meeting (again being the first agenda item). She explained that in an effort to conduct the interviews and schedule necessary agenda items, both meetings would begin at 8:00 a.m.

Ms. McAuley reported that the top four candidates to be interviewed for Executive Director are as follows (in alphabetical order):

- Jay Aldean, from Reno, who was present at this meeting
- Jim Litchfield, from Reno, who was present at this meeting
- Ed Mifflin, from Virginia
- Jagdeep Sidhu, from California

She added that the top four General Counsel candidates include:

- Greg Shannon, from Reno, who was present at this meeting
- John Shipman, from Reno
- Steve Smith, from Las Vegas
- Michael Wolz, from Reno

Ms. McAuley summarized that this is the information she has presently on the position and invited questions.

Terri Thomas asked why this process was necessary when the Deputy Director (Jay Aldean) could have moved into the Director position and Greg Salter was serving as General Counsel. Ms. McAuley stated that the Board took a vote on appointing Mr. Aldean to the position and the result was not unanimous, making it necessary to solicit interest in the position.

Ms. Thomas asked what would happen if unanimity is not reached upon interviews. Ms. McAuley stated that she speculates that in that case, the TRFMA Board would have the option to solicit applicants under a new search or appoint Mr. Aldean as Executive Director.

Ms. Thomas expressed her frustration as a resident of Eastside Subdivision, which she stated is one of the hardest hit communities from flooding, as well as being impacted by the Southeast Connector project and stated that residents feel “they are being hit from all sides”. She added that her personal opinion is that the whole process should and could have been avoided because perfectly good candidates were already serving in both roles.

Ms. Faigeles reported that Mr. Salter resigned and took a position as legal counsel for Washoe County Community Development.

Mr. Aldean reported that in discussing staffing, John Sherman recently resigned from the position of Chief Financial Officer (CFO) for the Flood Project. He stated that Mr. Sherman was overburdened due to decreased staffing and the recent decision that Washoe County must provide refunds to Incline Village citizens based on prior tax issues. Mr. Aldean summarized that a CFO would need to be hired.

Ms. Faigeles stated that public comments are always invited at the TRFMA meetings and invited anyone to express their concerns or views to the Board.

#### **5. Update and discussion on Senator Harry Reid’s staff appearance at the July TRFMA meeting.**

Ms. Faigeles reported Victor Mercado, of Senator Reid’s office, spoke at the last TRFMA meeting to provide an update on the federal process. Mr. Aldean stated that staff has been working to determine what project is possible and how Senator Reid could assist in the process. He stated that comments have been made that the method being used (to request the 117-year Locally Preferred Plan [LPP] with full cost sharing) would place a great burden on the Senator. He stated that Mr. Mercado from Senator Reid’s local office was present at the last TRFMA meeting.

Mr. Aldean stated that Mr. Mercado reported that we are very close to the Alternatives Formulation Briefing (AFB), which would be followed by release of the report to the public. Mr. Mercado expressed the importance that the TRFMA be in agreement with the Corps’ recommendation of a project. Mr. Aldean stated that if it were widely different, it would be very difficult for Senator Reid to receive the needed votes to get the project authorized.

Mr. Aldean reported that a few years ago, Flood Project staff was not as concerned with what the Corps report said; we simply wanted to finalize a report for delivery to Senator Reid. He added however, that based on the current economy, that will not happen. He summarized that in comparison to disasters in other areas of the country; for instance the Missouri River, New Orleans and others, we would be happy to get our local project authorized. He reported that federal money is tight and there are no earmarks. He added that he has heard locally about Bureau of Reclamation (BOR) projects that were authorized; however, the funding was pulled because there was no project “in the ground”.

Mr. Aldean referred to Eric Scheetz, who recently visited Missouri and actually saw the water being released from the Missouri River. He added that our civil engineer from the Corps’

Sacramento District was recently pulled away to the Missouri project. He stated that based on the mere fact that we still have a finished project, we need to accept the Corps' recommended project. He stated that Mary Connelly from Senator Reid's office recommended that same scenario years ago.

Mr. Aldean stated that by approving the recommendation and getting it into Senator Reid's hands, does not automatically ensure that we will have a project. He invited questions.

Mr. Scheetz provided a brief overview of the Missouri River flooding and impacts. Mr. Aldean explained some of the concepts of the project.

Ric Frost reiterated that Mr. Mercado stressed that if there is not a show of unity amongst the local groups and the Corps, the project would not move forward. Ms. Faigeles agreed that the point was definitely made that all need to be in sync in moving forward to the AFB and for authorization.

Mr. Aldean explained that we would have the opportunity to make comments and requests during the AFB and in the subsequent process. He stated that we need to be careful in how to make the requests and ensure that we are on the same page with the Corps about issues, such as interior drainage. He explained that issues have to be addressed in a manner so that the Corps does not walk away from the project.

Scott Smith asked who would be invited to the AFB. Mr. Aldean reported that it would include representatives from Corps Headquarters from Washington, D.C., Corps Division from San Francisco, Corps District from Sacramento, (approximately 20 Corps representatives), all Flood Project staff, staff from Reno, Washoe County and Sparks, Technical Advisory Committee (TAC) members and TRFMA Board members. He explained that it would not be a public meeting so quorums of any committees could not be present. He added that TRFMA Board members in attendance would include Ron Smith and Bob Larkin.

Mr. Aldean stated that the hope now is to schedule the AFB by the end of September. He added that once the documents are received (which should be any day) by Division, they have a 10-day (working day) review and comment period. The District office will immediately work to address any comments. Following the 10-day period, the document will be provided to Headquarters, which has a 30-day (calendar) review and comment period. He explained that if the AFB is scheduled in September, it would provide an opportunity to move forward on the project prior to the end of the federal fiscal year.

Noel Laughlin mentioned the issue of addressing interior drainage and asked if other "betterments" would be requested. Mr. Aldean explained there is a difference between a betterment and a comment. For instance if we disagree with how the Corps analyzed interior drainage, we would make a comment at the AFB. He noted that there would be an opportunity to request betterments.

Mr. Scott asked if floodwalls were built using only local funds, would the Corps include that in its design. Mr. Aldean stated it would be included in design and construction but cost-shared separately. He added that the Flood Project would assist with prioritization of project elements. Members agreed that it would be a bad idea to have more than one contractor working in an area.

Ron Penrose asked if a list of relatively detailed cost estimates has been developed. Mr. Aldean stated it has not and added that at the last TRFMA meeting, the Board voted to postpone an item to amend the contract with FCS (and CH2M Hill) to provide that level of detail. Mr. Penrose asked for clarification that the Corps' cost estimates are conceptual in nature. Mr. Aldean stated that is correct and briefly explained the process. Ms. Thomas asked why the Board did not approve the amendment. Mr. Aldean clarified that it was postponed based on the length of the meeting and detailed discussion on Alternative 3C. He added that Director Aiazzi made a motion to provide a cost breakdown based on a \$525 million project.

**6. Update and discussion on TRFMA support of Alternative 3C (the "100-Year Plan") at the Corps AFB.**

Ms. Faigeles summarized that the Corps is currently considering four different alternatives, 50, 75 (National Economic Development [NED] Plan), 100 and 117-year (LPP). She explained that Alternative 3C is the Corps' 100-year plan, which they believe they might be able to recommend to Congress for authorization. She reported that Danielle Henderson would go over the comparisons between Alternative 3C and LPP components.

Mr. Smith mentioned that a couple of meetings ago, it was reported that the Corps would look at other plans and levels of protection to determine the benefit to cost (BC) ratio and asked what happened to that plan. Ms. Henderson agreed and clarified that was the process that led to selection of the 100-year plan based on the BC ratio, as well as the net benefit. She stated it is not in the federal interest to build a project with less than a BC ratio less than one.

Ms. Henderson reported that the 75-year plan is the NED plan; however, they believe they could recommend the 100-year plan, which is Alternative 3C. Mr. Smith asked if the Corps ignored the White Paper presented on "other accounts" submitted by staff. She stated that in staff's opinion, the Corps included a very limited component of what was presented in the "other accounts" document. She added that staff continues to pursue the issue although Headquarters is not interested in the information at this time.

Ms. Henderson stated that we are at the point of a "reality check". She stated that based on the recent flooding disasters in the Midwest and the national economic problems, it will be difficult to receive authorization. She added that even if the LPP were authorized, the community might not be able to afford the local match.

Ms. Henderson summarized that the intention is not to cast aside the LPP; it is to support Alternative 3C, the 100-year plan as a viable alternative and one that is acceptable to the community. She clarified that the "100-year" plan does not actually provide 100-year protection for the entire project area but rather in the Meadows reach. She added that under Alternative 3C, 100-year protection would not be provided for downtown Reno.

Ms. Henderson stated that she believes we are in a position where Corps Division and Headquarters will allow scheduling of the AFB. She stated that the purpose of the AFB is to present the alternatives, ensure they are adequately described, are consistent with Corps policy, and hopefully release the draft General Re-evaluation Report (GRR) and Environmental Impact Statement (EIS) to the public for comment.

Ms. Henderson stated that not only are we trying to get a project authorized, but also to receive the highest level of cost share possible.

Ms. Henderson referred to tables she presented to the Board and to the Working Group, which offer side-by-side comparisons of the LPP and Alternative 3C (the “100-year” plan). She briefly reviewed the Project purpose, which includes:

- Flood risk management
- Ecosystem restoration
- Recreation enhancement
- Fish passage improvement

She explained that the table includes a red “x” for components that are not included in the specific projects. She added that the last three features mentioned above are very similar between the two alternatives. She explained that the most critical differences in the alternatives are related to flood risk management. She referred to the second table, which explains and compares the features of flood risk management, which include:

- Alternative 3C only includes replacement of Virginia Street and Sierra Street Bridges; Lake Street would be replaced by a pedestrian access bridge (with access for maintenance and emergency vehicles); Center Street Bridge would not be included.
- Additional floodwalls and levees would not be built downtown under Alternative 3C – Mr. Aldean stated that floodwalls would have to be built but a determination will have to be made on responsibility for cost. Ms. Henderson explained that the Reno City Council previously agreed they did not want floodwalls and levees that would impact access to the river or aesthetics.
- Alternative 3C does not include temporary closure structures at Booth Street or floodproofing of selected downtown Reno buildings.
- In the Meadows, Alternative 3C does not include the Home Elevation Program for Hidden Valley and Eastside Subdivision areas. Ms. Thomas raised her concern that this item would not be part of the recommended plan. Mr. Aldean explained that the Flood Project would recommend home elevation at the AFB, which would be implemented locally.
- Alternative 3C does not include lengthening Rock or McCarran Bridge. The Corps felt it was more cost-effective to raise the heights of levees and floodwalls upstream of the bridges.
- Alternative 3C does not include realignment of the outlet of the North Truckee Drain (NTD); however, it does include enclosing the NTD.
- Both alternatives include interior drainage facilities to address issues and problems caused by the Flood Project. She added that a plan to address interior drainage issues is under development.

Ms. Henderson stated that staff would negotiate with the Corps to determine which components would be considered betterments. She summarized that we have to build a project that works and provides a benefit to those paying for the project.

Mr. Penrose stated that at some point a project would most likely be authorized and asked if any indication has been provided for when funding might be received. He explained that Truckee Meadows Water Authority (TMWA) received authorization of the Glendale Diversion Project through Water Resource Development Act (WRDA) and 2 ½ years later still never received funding. He added that based on the permit expirations, TMWA moved forward with its own funding to build the project. Ms. Henderson stated that the hope is to receive Congressional authorization in 2012 via WRDA , with appropriations hopefully a year later.

Mr. Aldean stated that Mr. Penrose brings up a good point relating to rates; rates cannot be set on an “authorized” project; the project must be “appropriated” in order to set rates.

Mr. Aldean reported that even if authorization is granted, staff realizes that appropriations would be provided incrementally.

Franco Crivelli cautioned that the community would not be agreeable to paying rates for a less than 117-year project. He suggested that the issue be approached with the right strategy to receive buy-in. Mr. Aldean stated that some residents are less concerned about flood protection than they are about receiving the recreational benefits (i.e. ball fields, trails, etc.). Ms. Henderson agreed that the rate process would be difficult when that time comes. She clarified that the rate system would require audits, as well as judicial review and approval. She stated that the rate discussion is not ready for public release. Mr. Crivelli suggested when presenting information on the project that mention is made that rates are not ready for implementation.

Ms. Henderson stated that comments need to be clear and concise and encouraged Working Group participants to provide input. Mr. Aldean stated that the Board is beginning to discuss the need for public outreach and participation.

Mr. Frost reported that at the TRFMA meeting, Mia O’Connell (lobbyist) stated that the Federal Emergency Management Agency (FEMA) would not support less than 100-year protection downtown. Ms. Henderson stated that there was a miscommunication between Ms. O’Connell and the Board. Mr. Frost expressed his concern related to Mr. Mercado’s recommendation that everyone needs to agree in recommending a project.

Mr. Aldean explained that components deemed necessary would be included in the project even if they had to be locally funded. Ms. Henderson cautioned that the rate has to be affordable so components would have to be prioritized and agreed upon.

Mr. Aldean stated that rates would be based on direct or indirect benefit areas. Patti Bakker asked if direct and indirect would be further defined later. Mr. Aldean stated it would.

Ms. Henderson referred to the project components and stated that the possibility of omitting the lengthening of McCarran and Rock bridges exists because the Corps felt it would be more cost-effective to raise the height of the floodwalls and levees immediately upstream. Dick Mills stated that each item deserves consideration. He added that the North Truckee Drain (NTD) is his biggest concern. Mr. Aldean offered to discuss the NTD under the next agenda item.

Ms. Lanza suggested that the LPP be opened publicly for decisions about which elements to include and which to exclude. Ms. Henderson stated that issue could be requested by the Working Group and TAC; however, the Corps process and rate process are inter-related. She agreed that after the AFB, a discussion should be held.

Ms. Henderson summarized that hopefully we can move forward to the AFB process. Mr. Aldean added that the positive issue is that Alternative 3C would be affordable for the community. The Corps provided a cost estimate for the local share at \$460 million, provided we receive the full federal cost share. He added that money would be available for the betterments selected by the community, such as home elevation, NTD and downtown protection.

Mr. Smith asked how local staff and Board members would present information at the AFB. Mr. Aldean explained that a list of talking points would be developed by staff and added that staff

would do much of the presenting. Ms. Henderson stated that she hopes that some of the Corps' top decision makers would be present at the AFB and be willing to go on record with a decision. She explained that a detailed transcript would be taken at the AFB, which will include the requirements needed to move forward in order to continue the process. Mr. Aldean added that the Corps would have to address every conclusion reached at the AFB.

Bob Ramsey asked if the Corps would factor in the benefit of decreased flood insurance rates for those removed from the FEMA floodplain. Mr. Aldean stated that if it were certified by FEMA criteria, the reduction would be considered. Ms. Henderson reiterated that the Corps would not recommend a protection level less than 100-year for the Meadows.

## **7. Interior Drainage Update**

Mr. Aldean provided a brief presentation, which included Corps maps showing flooding the Corps attributes to interior residual drainage issues. He explained that staff is not in agreement with the results and is working to verify the actual flood levels. He referred to areas of the maps that show riverine versus interior drainage flooding, which is hard to determine. He reported that Flood Project staff recently met with Mark Forrest from HDR to discuss the modeling results from the Corps. Mr. Forrest advised that the drainage from the North Valleys does not flow straight to the river and showed where drainage actually flows.

Mr. Aldean reported that the maps were not presented to the TRFMA Board because the TAC did not feel they were ready for public presentation based on staff agreeing the results are inaccurate.

Dick Mills stated that he strongly believes the North Truckee Drain needs to be realigned to provide protection to his business and others in the area. He added that stakeholders agreed the confluence needs to be moved downstream in order to prevent flooding. Mr. Aldean stated that Mr. Mills and neighbors would receive 100-year protection from other flood components. He stated that the BC ratios would be reviewed and if Sparks determines the realignment to be beneficial, it will be done.

Noel Laughlin stated that he is experiencing the same frustration because he has been working on the NTD project for the past three years. He explained that there are huge differences between the original model and the new model.

Mr. Aldean reiterated that Mr. Mills' property would be protected from a 100-year flood. Mr. Mills stated he has been told different things over the years and reiterated he would like to see the realignment completed. Mr. Aldean suggested that Mr. Mills request a meeting with John Martini and Neil Krutz from City of Sparks.

Ms. Faigeles offered to schedule this item for further discussion at the next meeting, when Paul Urban is present.

Mr. Aldean stated that the Corps maps would be included in the GRR. Cynthia Albright suggested that a heads up on the issue be provided prior to the AFB. She asked what model is being used. Mr. Aldean stated it is a late-1990/early-2000 HEC-RAS model. Ms. Albright suggested that the model updates could be made during the design process. Mr. Aldean agreed that staff is being very open and upfront in working with the Corps to avoid any surprises.

**8. Working Group Member Comments, Requests, and Future Agenda Items**

Ms. Thomas asked what the plan is for replacing John Sherman as TRFMA CFO. Mr. Aldean reported that the accounting software has been requisitioned, which is a first step. The next process would be to hire a consultant to provide financial services. He added that Mr. Sherman would recommend a capable firm, possibly Kafoury Armstrong (the County's consultant).

Ms. Faigeles reported that the next Working Group meeting would be scheduled for Wednesday, August 31, 2011. There being no further business, the meeting was adjourned at 5:12 p.m.

Respectfully submitted by,

Niki Linn, Recording Secretary