WASHOE COUNTY



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STAFF REPORT BOARD MEETING DATE: October 8, 2019

DATE:	August 14, 2019	
TO:	Board of County Commissioners	
FROM:	Vahid Behmaram, Water Management Planner Coordinator Community Services Dept., 954-4647, <u>vbehmaram@washoecounty.us</u>	
THROUGH:	Dwayne Smith, P.E., Director, Engineering & Capital Projects Community Services Department, 328-3600, <u>desmith@washoecounty.us</u>	
SUBJECT:	Recommendation, under NRS 277.053 and 244.1505(2)(a), to (1) adopt a resolution declaring Washoe County's intent to convey Wadsworth, Nevada irrigation-system real property and infrastructure to the Pyramid Lake Paiute Tribe and, if adopted, (2) execute an Irrigation Water System Conveyance Agreement to transfer the irrigation-system property and infrastructure, (3) execute a quitclaim deed transferring the real-property, APN 084-160-85, and (4) execute a water-rights deed conveying 20.00 acre feet of irrigation-system water rights to the Pyramid Lake Paiute Tribe. (Commission District 4.)	

SUMMARY

Washoe County owns and operates a non-potable irrigation water system in Wadsworth, Nevada which provides irrigation water to nine customers with active accounts. The water system is a non-potable irrigation system and therefore, it was not transferred to the Truckee Meadows Water Authority (TMWA) during the County's water utility merger with TMWA. Continued operation of this small, non-potable water system is not cost effective for Washoe County and expansion of the system is not practical due to the expense of capital improvements supported by such a small customer base.

The Pyramid Lake Paiute Tribe (PLPT) owns and operates a municipal water system in the Wadsworth area that delivers potable-quality water in the town of Wadsworth. This system serves a large customer base of both tribal and non-tribal parcels of land surrounding the County system. Washoe County wants to transfer its Wadsworth irrigation water system (System), including the associated real property, infrastructure and equipment, and water rights to the PLPT who intend to consolidate the System with the PLPT's larger, potable water system. Upon acceptance of the System by the PLPT, irrigation water service will cease and the current irrigation water customers will be able to convert from irrigation water service to PLPT potable water service under the PLPT's terms and conditions for municipal water service, if they choose to do so.

In order for Washoe County to merge and consolidate this irrigation water system with the Pyramid Lake Paiute Tribe's adjacent water system, the Board of County Commissioners must adopt a resolution declaring the intent to convey real property consisting of a wellsite identified as APN 084-160-85 together with 20.00 acre-feet of ground water rights to the PLPT to be consolidated and merged into the PLPT adjacent water system for public purposes, as NRS 277.053 authorizes. Strategic Objective supported by this item: Stewardship of our community.

PREVIOUS ACTION

There has been no previous.

BACKGROUND

Washoe County owns and operates a small irrigation water system in Wadsworth, Nevada. The Wadsworth irrigation water system consists of real property in the form of a well site, and water rights and tangible property in the form of a pump, pipelines, valves, hydrants, and meter boxes. This irrigation water system provides non-potable water and as such was excluded from the merger of Washoe County's potable water system with the TMWA. The County's focus is on the safe treatment and delivery of waste water and treated effluent with staff and expertise limited to these areas. Since the merger, it has become apparent that the operation of this non-potable water system is not cost effective and capital improvements to this system are impractical due to significantly small number of rate payers, currently only nine paying accounts. With this reality in mind, staff began looking for alternatives to assist the irrigation water rate payers.

The irrigation water system is almost fully surrounded by the PLPT water system which provides potable water system to both tribal and non-tribal residents of Wadsworth. Through a series of meetings and discussions the PLPT Public Works Director expressed interest in the irrigation water system and infrastructure as it complements the PLPT existing water infrastructure and eliminates the need to build duplicate and parallel water lines and facilities.

In addition to working closely with the PLPT, Washoe County notified all current seasonal customers of the proposed plan to convey the irrigation water system to the PLPT. Letters were sent to irrigation water system customers (both active and inactive accounts) explaining the proposed process with an invitation to attend a public meeting with the PLPT Public Works Director and Washoe County Utility staff that was held in in Wadsworth on July 24, 2019. Area residents including some that are not irrigation customers attended. There were several questions and comments and the overall general response was positive. It should be noted that the PLPT connection fees and water rates are substantially less expensive than the County rates, with the added benefit of delivering potable quality water.

NRS 277.053 provides that a governing body of a political subdivision may convey real property to the State, any agency of the State, another political subdivision or an Indian tribe without charge if the property is to be used for a public purpose. Furthermore NRS 244.1505(2)(a) provides that a board of county commissioners or its authorized representative may donate commodities, supplies, materials and equipment that the board determines to have reached the end of their useful lives to be used for any purpose which will provide a substantial benefit to the inhabitants of the county.

FISCAL IMPACT

Donation of the Wadsworth irrigation water system's assets to the Pyramid Lake Paiute Tribe will result in the disposal of the below assets from the records of the Utilities Fund (566):

		Capitalization
Asset #	Asset Description	Date
301407	Wadsworth Distribution	03/01/92
305590	Wadsworth	12/31/92
305761	Gregory Street Pumping Facility	12/31/93
307822	Slipline Under River	12/31/93
305601	Wadsworth Meter/Service	03/31/94
301422	Wadsworth Cemetery Line	06/30/94
305613	Wadsworth Meter	12/31/94
301423	Wadsworth - King Const	03/31/95
301634	Wadsworth	12/31/95
301715	Wadsworth	06/30/96
301744	Wadsworth	03/31/97
301745	Wadsworth	06/30/97
301774	Wadsworth	06/30/98
301783	Wadsworth	12/31/98
305643	1 Ea Wadswroth Meter	12/31/99
306155	3 Wadsworth Meters	04/01/00
302144	Wadsworth 1 Meter	03/31/01
302248	Wadsworth 1 Meter/Mxu	04/01/01
302654	Wadsworth-1 Mxu Meter	11/15/02
304779	Wadsworth 2 Each Mxu/Meters 2006	05/15/06
305336	Wadsworth 6 Meters & Mxu'S	05/01/07
307549	Wadsworth 1 Each Mxu/Meters 2008	06/30/08

The historical cost of these assets totals \$184,248.10, and estimated accumulated depreciation totals \$172,936. The disposal will therefore result in a loss of no more than \$11,312 to the Utilities Fund.

RECOMMENDATION

It is recommended that the Board of County Commissioners (1) adopt a resolution declaring Washoe County's intent to convey Wadsworth, Nevada irrigation-system real property and infrastructure to the Pyramid Lake Paiute Tribe and, if adopted, (2) execute an Irrigation Water System Conveyance Agreement to transfer the irrigation-system property and infrastructure, (3) execute a quitclaim deed transferring the real-property, APN 084-160-85, and (4) execute a water-rights deed conveying 20.00 acre feet of irrigation-system water rights to the Pyramid Lake Paiute Tribe.

POSSIBLE MOTION

Should the Board wish to implement the staff recommendation, a possible motion would be "Move to (1) adopt a resolution declaring Washoe County's intent to convey Wadsworth, Nevada irrigation-system real property and infrastructure to the Pyramid Lake Paiute Tribe and, if adopted, (2) execute an Irrigation Water System Conveyance Agreement to transfer the irrigation-system property and infrastructure, (3) execute a quitclaim deed transferring the real-property, APN 084-160-85, and (4) execute a waterrights deed conveying 20.00 acre feet of irrigation-system water rights to the Pyramid Lake Paiute Tribe."