

Minutes of the Board Meeting of the  
**TRUCKEE-CARSON IRRIGATION DISTRICT**  
 Special Session Board Meeting Minutes  
**April 20, 2022**

The Board of Directors of the Truckee-Carson Irrigation District, in the counties of Churchill and Lyon, State of Nevada, met in special session at the Office of the District, 2666 Harrigan Road, Fallon, Nevada, on **Wednesday, April 20, 2022** at 9:00 a.m.

The following Directors were present constituting a quorum:

Present:	Eric Olsen David Stix Jr. Robert Oakden Lester deBraga Joseph Gomes Abrahm Schank	President Vice-President Secretary Treasurer Director Director
Absent:	Wade Workman	Director
Others Present:	Rusty Jardine Helen-Marie Morrow Cody Biggs Kelly Herwick Ariel Tomb	General Manager Finance Manager Construction/Maintenance Manager District Water Master - Zoom Assistant Secretary to the Board

Teleconference/Zoom Guests	Representing
Wyatt Golding	Legal Counsel for FPST
Laurie Nicholas	Bureau of Reclamation
Caitlin Skulan	Legal Counsel for Vice President Stix
Michael VanZandt	Legal Counsel for TCID
Rachel Dahl	The Fallon Post
TCID 204-1	

In-Person Guests	Representing
Jason Villarreal	Bureau of Reclamation
Robert Martinez	Bureau of Reclamation
Jack Worsley	Bureau of Reclamation
David Whalen	City of Fernley
Daphne Hooper	City of Fernley
Leanna Hale	FPST
Calvin Ryle	Self
Rick Depaoli	Self
Sandy Depaoli	Self
Lowell Patton	Subdivision 5150
Duke Lyon	Pine Grove
Tom Jones	
Barney Franich	Self

James Reimers	Self
Robin Hermann	Self
Joe Frey	Rambling River Ranches

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

**1. Call to Order**

President Olsen called the meeting to order in accordance with NRS 241 at 9:07 a.m.

**2. Pledge of Allegiance**

The Pledge of Allegiance was led by President Olsen.

**3. Approval of the Agenda**

**A motion was made by Director Schank to adopt the agenda as presented, seconded by Treasurer deBraga, request for comment and the motion was unanimously approved.**

**4. General Public Comment**

Caitlin Skulan, Associate Attorney, Schroeder Law Offices stated she was present to represent Vice-President Stix.

**5. Truckee Canal Extraordinary Maintenance Project Scheduling and Repayment of Construction Costs**

Deliberation was had by the Board of Directors relating to determination of a term or terms of outage for the Truckee Canal, as an important term or condition of a contract for repayment to be made to the United States for Extraordinary Maintenance (XM) upon the Truckee Canal in Fernley, Nevada –consisting of placement of a full geomembrane/concrete lining to approximately 3.5 miles of Canal in the Fernley Reach thereof, for construction of a new Fernley Check Structure and removal of the existing structure, improvement to the Bango Check Structure in the Lahontan Reach of the Canal, and armoring to be made at a location known as “Pour Point Eight” on the Canal near the junction of Highway 95 and the Canal in the City of Fernley so as to protect the Canal from damage caused by uncontrolled storm-water flows breaching the embankment. Construction costs are estimated between Twenty-Five Million Dollars (\$25M) and Thirty-Five Million Dollars (\$35M). Deliberation and decision by the Board of Directors may include determination by the District of any/all funding strategies, or other revenue sources, with which to pay the costs associated with the XM Project. Other conditions or terms relating to the contract for repayment were also considered.

The District has made application to the United States, through the Bureau of Reclamation, for funds with which to repair the Canal. The source of funding is the Bipartisan Infrastructure Law (BIL), signed into law by President Biden in 2021. Such funds must be repaid. Accordingly, a contract for repayment must be negotiated with Reclamation providing terms and conditions of repayment. The District has made application to Reclamation for designation of the XM Project as an emergency. Approval for Project funding and an emergency designation are now pending with the Office of Commissioner for Reclamation. An emergency designation for the XM Project would result

in as much as Thirty Five (35) percent of the lining portion of the Project being deemed non-reimbursable. In light of Project approval, and in the absence of an emergency designation, the Board must consider methods to generate revenues to be ascribed to repayment. The District operates and maintains the works and facilities of the Newlands Federal Reclamation Project without cost to the United States pursuant to Contract No. 7-07-20-X0348-X effective January 1, 2022.

NRS 539.297 provides, in pertinent part, that any proposal to enter into a contract with the United States for the repayment of money for construction must be voted upon at an election. An election on the matter will be scheduled upon establishment of terms for repayment of money to the United States. Assuming voter approval, the XM Project could commence as early as October, 2022.

On January 4, 2022 the Board of Directors approved Resolution No. 2022-01 authorizing the taking of all necessary steps to enter into contract for repayment to the United States and for presentation of a proposed contract to the electors of the District at a special election.

Highlights of the discussion included the following:

- Consideration of the outage window as part of the ballot question and addendum to the Contract for Repayment.
- Consideration of single versus multiple outages. Increased costs associated with multiple outages as a result of mobilization and inflation.
- Project completion is weather dependent (liner and concrete installation requires warm weather; summer months; over 40 degrees to weld liner).
- Consideration of outage window start date. Proposed start date is October 1, 2022.
- Compensation for water users affected by outage. Compensation not available via the BIL. Suggestion was made for a committee to explore compensation options.
- If no action taken to repair, the Truckee Canal limited to 140 cubic feet per second (cfs); no checking (bays).
- The construction solicitation will include a 12-month window for completion.
- Construction contract cannot be awarded until Contract for Repayment has been approved by water users. Contractor will require 60-90 days for submission of documentation prior to mobilization (i.e. award construction contract by July 1 for October 1 start date).
- Jack Worsley, Area Manager stated that an Emergency Extraordinary Maintenance (EXM) designation has been requested for the 3.5 miles lining only; 35% of associated costs (\$10-11 million dollars) would be non-reimbursable.
- Inflation will increase construction cost, essentially eliminating the contingency costs (buffer) built into the estimated \$35 million project cost.
- It has been estimated that a \$20 per acre increase is associated with repayment of extraordinary maintenance cost of the Truckee Canal (\$35 million dollars over a period of fifty (50) years.

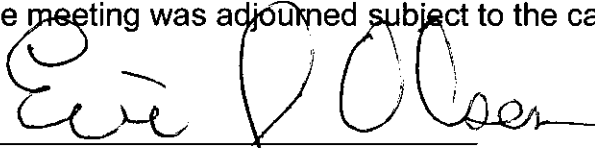
No decision was made regarding the Truckee Canal Extraordinary Maintenance project schedule and repayment of construction costs.

6. **Additional Public Comment**

Ariel Tomb, Assistant Secretary to the Board advised those in attendance to contact her if they would like to receive notice regarding public meetings.

7. **Adjournment**

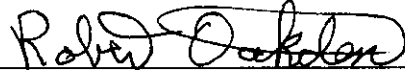
The meeting was adjourned subject to the call of the Board President at 10:50 a.m.



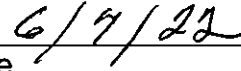
Eric Olsen - President



Date



Robert Oakden - Secretary



Date