

STAFF REPORT

Date: October 11, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of First Amendment to the Interlocal Agreement with Western Regional Water Commission for extension of time for funding of the Water Quality Credit Program.

From: Nicholas Brothers, Associate Civil Engineer

Department: Utility Services

Summary:

Staff seeks approval of an amendment to the Interlocal Agreement with Western Regional Water Commission (WRWC) to extend the funding reimbursement until June 30, 2024. This funding agreement supports the Water Quality Credit and Offset Program which expired June 30, 2023. The program development was placed on hold by request of key stakeholder, the Nevada Division of Environmental Protection, until sufficient staffing could be allocated.

WRWC approved the amendment for funding for the Water Quality Crediting and Offset Program to be funded in the Fiscal Year 2023-2024 budget to be managed by the City of Reno (Utility Services). Staff recommends Council approve the amendment with WRWC.

Alignment with Strategic Plan:

Fiscal Sustainability

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

August 2021 - Council approved the ILA with WRWC for this funding.

August 2021 – Council approved consultant agreement with Environmental Incentives for development of a Water Quality Credit Program.

Background:

The Truckee River Total Maximum Daily Load (TMDL), regulated by the Nevada Division of Environmental Protection (NDEP), sets limits for pollutant loading to an impaired receiving water body with the goal of attaining water quality standards. Waste Load Allocations (WLA) is

that portion assigned to individual dischargers and permitted by NDEP under the Clean Water Act, while Load Allocations (“LA”) are from non-point sources. In fact, the Truckee Meadows Water Reclamation Facility (TMWRF) has been assigned a WLA, and while TMWRF is currently meeting or exceeding standards, it may benefit in the future from projects in the region that reduce non-point source LAs to the Truckee River. The Truckee River TMDL is fully assigned to permitted WLA and non-permitted LA and there is no room for future/new dischargers or providing an increase in this limit to permittees. Projects that convert septic systems to sewer conversions and stream restoration projects are just two examples of projects that would provide opportunities for the City under a crediting program. The City’s Watershed Management Plan, recently submitted for United States Environmental Protection Agency (EPA) review, may provide additional funding opportunities for projects that could contribute to the crediting program.

Discussion:

The Western Regional Water Commission has committed \$200,000 in funding for this project. Environmental Incentive’s scope of work details an approach that ensures engagement and collaboration with Truckee Meadows stakeholders and NDEP.

This project was brought forward through the Storm Water Permit Coordinating Committee to the Northern Nevada Water Planning Commission with unanimous recommendation to the Western Regional Water Commission.

Financial Implications:

The approval of the amendment has no financial impact but extends the agreement WRWC extending the original agreement where the City has budgeted \$200,000 for administering the development of a Water Quality Credit and Offset Program. With this agreement for funding by the WRWC, the City will be fully reimbursed by the WRWC for the project in an amount not to exceed \$200,000.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council approval of an amendment to the Interlocal Agreement with Western Regional Water Commission.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

First Amendment to WRWC -City of Reno Agreement

WRWC Water Quality Offset Program Credit Agreement - signed