

Meeting Minutes
BOARD FOR FINANCING WATER PROJECTS

June 3, 2026

9:00 am

Bonnie B. Bryan Conference Room
 901 South Stewart Street, 1st floor
 Carson City, NV 89701

Held virtually using Microsoft Teams:
 Meeting ID: 255 200 038 634 147

Members present:

Bruce Scott, Chair
 Andrew Belanger, Vice Chair
 Mike Workman
 Abbe Yacoben
 Brendon Grant

Legal counsel present:

Katie Armstrong, Deputy Attorney General

Public present:

Julie Schoolmeester, Las Vegas Valley Water District
 Kathy Flanagan, Las Vegas Valley Water District

NDEP staff present:

Benjamin Miller
 Sheryl Fontaine
 Melissa Starr
 Chris Flores
 Relinda Hawxhurst
 Daniel Morgan

Dylan Carey, Keller Associates
 Katie Anderson, Keller Associates
 Nico Rodriquez, WaterStart

Board for Financing Water Projects regular meeting

1) Call to order

Chairman Bruce Scott opened the meeting. Chairman Scott invited introductions from board members and the public.

2) Establish quorum

Chairman Scott established a quorum as the required number of board members were present.

3) Public Comment

There was no public comment.

4) Capital Improvements Grant Regulation Adoption

Sheryl Fontaine presented regulatory petition, Legislative Counsel Bureau (LCB) file number R124-24, which proposes to amend Nevada Administrative Code Chapter (NAC) 349.430 through 349.574 inclusive, for the Grants for Water Conservation and Improvements to Certain

Water Systems and Sewage Disposal Systems, formerly known as the AB198 program and now referred to as the Capital Improvements Grant Program.

The program was established in 1991 to provide funds to purveyors of water in Nevada to address specific water-related infrastructure needs. At the statutory level, the program has been expanded recently to include eligible recipients and local governments to help address specific needs. The Board for Financing Water Projects (Board), created pursuant to NRS 349.957, administers the program and adopts necessary regulations for the program. These regulatory changes are being proposed, in part, to align the Nevada Administrative Code with the Nevada Revised Statutes (NRS).

In summary, R124-24 proposes to

- align NAC with NRS changes due to the passage of Assembly Bill 20 (82nd legislative session);
- align NAC with NRS changes due to the passage of Senate Bill 150 (80th legislative session);
- clarify requirements for each type of recipient;
- streamline and clarify the letter of intent and application processes;
- update regulations for the grant scale;
- update fee and grant term language; and
- make other housekeeping amendments.

Changes proposed to align NAC with NRS include expanding program eligibility to include “eligible recipients” to receive grants to address wellhead abandonment and septic to sewer conversions and “governing bodies” to receive funds to develop water resource plans, and changing the “Department of Business and Industry” to “Department of Conservation and Natural Resources and Nevada Division of Environmental Protection.”

As a result of expanding the types of recipients and projects, language is also being added to clarify the requirements for each entity and project type to receive funding. This section, which is NAC 349.475, was amended to include a separate subsection for each recipient type and identify what each must do to receive funding. Related to these changes, R124-24 also proposes changes to streamline the Letter of Intent and Application processes and identify the required contents for each as well as submission requirements. As NAC 349 was last updated in 2006, these changes will align the NAC with actual current practices. Ms. Fontaine pointed out a green line edit on page 19 that adds the word “Water” to the term “Bureau of Pollution Control”.

Ms. Fontaine continued, explaining that current NAC outlines the requirements for the contents of the Board resolution approving funding from the program, including the determination of grant amount and associated match requirements, using a scale developed and approved by the Board. Changes to NAC 349.535 update the requirements for the Board policy for the scale used to determine grant amount for each recipient type. Changes also include the addition of the requirement to maintain sufficient user rates, develop and maintain a fiscal sustainability plan or asset management plan, and fund a capital reserve replacement account. This section was also amended to incorporate the use of program funds for septic to sewer conversion and for nonprofits.

Updates to the fees section in NAC 349.549, were made to 1) clarify that the fee may not be included as a cost eligible for reimbursement, and 2) change the term of the grant, which is the

time during which the funds must be spent, from five to three years. The need for this change arose in part from the lack of consistency in the program receiving authority for bond funding annually since these bonds are secured and repaid with general funds of the state. Prior to that time, funding authority was consistent enough that arbitrage was not a concern. However, because of the recent inconsistency in the program receiving funding, the funds must be spent timely to avoid future arbitrage.

Finally, some outdated language and processes were updated. For example, language was added requiring a public procurement process for solicitation and awarding of bidding contracts to show open and fair competition, regardless of the legal structure of the applicant. Language was also added clarifying the documents acceptable for proof of payment on draws. Finally, some definitions were added or removed to align with other amendments discussed previously. Language was added referencing “or project” at the end of “proposed improvement,” and the recent implementation of the Nevada Infrastructure Financial System, or NIFS.

Chairman Scott asked the Board if there were any comments.

Vice Chairman Belanger asked if the “as amended” language in NAC 349.475, Section 8, subsection 2 is necessary or whether “as amended and any future amendments” would be more appropriate, so that the regulations don’t need to be updated if further statutory changes are made.

Ms. Fontaine stated that the language was added by the LCB.

Ms. Armstrong commented that if the language was added by LCB, it should remain as such and that LCB may change the language when it is codified.

Chairman Scott asked if there were any written comments or comments submitted prior to the board meeting.

Ms. Fontaine stated that no written comments were received and that a public workshop was held regarding these regulations on March 31, 2026, and that there was only one virtual participant and no verbal comments were made.

Chairman Scott asked for public comment, no comments were received.

Board Member Workman moved to approve the regulatory petition LCB file number R124-24, with NDEP proposed edits. The motion was seconded by Vice Chairman Belanger. The motion carried unanimously.

5) Board comments

There were no further board comments.

6) Public comments

There were no further public comments.

7) Adjourn the Board for Financing Water Projects meeting

The Board meeting adjourned at 9:19 am.

Attachments