

MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT

APPROVED: OCTOBER 2, 2012

MINUTES OF THE REGULAR BOARD MEETING HELD TUESDAY, SEPTEMBER 11, 2012 AT THE OFFICES OF THE MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT ("THE DISTRICT")

CALL TO ORDER: The meeting was called to order at 6:07 p.m.

PLEDGE OF ALLEGIANCE: Mr. Joseph Hancock led the Pledge of Allegiance.

A moment of silence was observed for the victims and heroes of 9-11 on the 11th anniversary.

ROLL CALL: Present: Charles B. ("Chip") Sherrill, Jr., Joseph Hancock, Clay Vanderslice, Jamie Kelley (District Legal Counsel), and Cecily Preusser (Administrative Assistant)

Not Present: Members John Kai and Perry Muscelli were absent due to inclement weather

WAIVER MOTION. Motion to waive the reading of full minutes and resolutions presented for approval or adoption.

A motion to waive the full reading of the August 7, 2012 Meeting Minutes was made by Mr. Vanderslice. Mr. Hancock seconded the motion. All were in agreement, motion passed.

1. REPORTS.

A. Niblack Engineering System Progress Report for July, 2012.

Chairman Sherrill stated that, according to Manager Mark Clark, we still have a lot of work to do. Mr. Clark provided updated water usage reports for the Board to review, and Mr. Clark discussed with Chairman Sherrill that he is suspect that some of the meters are still not working correctly and, therefore we are still working with Mr. Niblack. Mr. Vanderslice had a question on the meters, as to the site locations. Mr. Vanderslice suggested that on the water reports, that the section number be added to the well meter site location. District counsel stated that Mr. Clark wanted a member of the Board to take the time to take him around the valley to physically locate and number the wells. Mr. Sherrill advised that he would accompany Mr. Clark to locate and number wells.

Ms. Preusser also brought up the rest of Mr. Niblack's report regarding batteries starting to go bad and Numbers 5 and 7 and the need for them to be replaced. Mr. Niblack reported that he would like to finish installing stilling

wells at that site and possibly Number 30. Ms. Preusser stated that she believed that Mr. Niblack had taken care of these items during his visit to the valley on September 14, 2012, but she would check with him and make sure. At that time Mr. Sherrill, stated Niblack Engineering had been working on the well sites for some time, and that he would have staff provide a cost analysis for next month. Mr. Sherrill stated that Mr. Niblack's last bill was approximately \$1,900.00. Chairman Sherrill asked Ms. Preusser to show Ms. Kelley the Niblack contract. Ms. Preusser then advised that Mr. Niblack had provided a projected estimate of his costs for the fiscal budget. Chairman Sherrill maintained his point that Niblack Engineering was spending a lot of money in the maintaining of the meters. Chairman Sherrill will ask Manager Clark to look into this matter and advise the Board at the next meeting what should be the next move. Chairman Sherrill stated that it did not seem financially responsible to spend more money on updating and taking care of the meters than was originally spent on the purchase of the meters, and that these costs could spiral out of control.

- B. Bureau of Reclamation Lower Colorado Water Supply Report for week of August 7, 2012.

Chairman Sherrill discussed the current storage amount at 58% as opposed to 66% last year.

- C. USDA National Agricultural Statistics Service - Arizona Agri-Weekly Report for the week ending September 2, 2012.

Chairman Sherrill discussed the fact that this was a new weekly report which would be included in all future Board packets. Chairman Sherrill basically outlined the data contained within the report, including Alfalfa, Range and Pasture and Cotton Crop Conditions, as well as the weather summary. Chairman Sherrill stated that there was to temperature and precipitation data reported for Mohave Valley, as the two former reporting stations, one at Hancock Farms and one on the Reservation. Chairman Sherrill directed staff to get in touch with the USDA and find out what it will cost for the District to set up a reporting station. Chairman Sherrill stated that it was important that the precipitation and weather conditions in Mohave Valley be reported.

- 2. **AGENDA MODIFICATION.** Possible action to withdraw from, or move, any item on the Agenda, including the removal of an item from the Consent Agenda.

No discussion.

- 3. **CONSENT AGENDA.** *The items listed below will be considered as a group and acted upon by one motion with no separate discussion of said items, unless a Board Member requests an item or items be removed for separate discussion and action.*

- A. Approve the August 7, 2012 Meeting Minutes.
- B. Ratify payment of expenses for August, 2012.
- C. Possible action to approve items withdrawn from Consent Agenda.

Mr. Vanderslice made a motion to approve the Consent Agenda in its entirety. Mr. Hancock seconded the motion. All were in favor, motion passed.

4. **REGULAR AGENDA.**

- A. **Mohave Valley Farms, LLC (Chesney), T9N, R23E, Sec. 33 & 34.** Discussion and possible action to approve the Petition for the Inclusion of Lands within the Boundaries of the Mohave Valley Irrigation and Drainage District [portions of Sections 33 and 34].

District Counsel stated that the property owners had met the requirements. The area in question is in the south end of Mohave Valley and is within a surface area as defined in the contract with the Bureau of Reclamation, but outside of the District's boundaries due to the fact that the District's boundaries were proposed in 1963 and the Colorado River was re-channeled and the Colorado Compact was signed in 1964, 1966 and effective in 1967 or 1968. Lands that were in California were now in Arizona, but the District legal descriptions excluded those lands. The Chesney land is the only private land in the area. This will bring the land into the District, with no negative impact to the District as the District is obligated to provide water under the contract. The District will now be allowed to monitor and tax the water usage. District counsel will be preparing a statement of boundary change impact and providing it to the Mohave County Board of Supervisors for re-review and comment. District counsel anticipates that the matter will be on the November 8 agenda and the Petition for Inclusion will be heard at the December meeting. The matter should be concluded by January of 2013.

- B. **Directors' and Crime Coverage Insurance.** Discussion and possible action to request proposals for the insurance coverage described below, all of which expires on November 8, 2012:

- Fiduciary Liability Insurance;
- Crime;
- Employed Lawyers Professional Liability Insurance;
- Kidnap and Ransom/Extortion;
- Directors, Officers and Not-For-Profit Organization Liability; and
- Employment Practices.

Chairman Sherrill stated that, according to the letter dated August 1, 2012 from Chartis, which was included in the Board packets, the insurance carrier does not wish to renew the District's insurance. Chairman Sherrill suggested that staff be directed to put bids out to different insurance companies.

Mr. Vanderslice made a motion directing staff to send proposals to insurance companies to obtain bids. Mr. Hancock seconded the motion. All were in favor, motion passed. It was suggested that bids be sent to Farm Bureau, Powers-Leavitt in Buckeye and several others.

C. **Elections.** Discussion and possible action to direct staff to notice and call election.

District counsel provided a letter to the Board outlining the election details for November 13, 2012. Mr. Sherrill also pointed out that notice of the election must be posted in each division 20 days preceding the election and that dates for publication would be October 10, 2012 and October 17, 2012. This particular election will be for Mr. Kai's seat, Division 1 and one of the two Director at Large positions. District counsel stated that this particular election may be a little confusing to electors as the one of the elections was for Division 1, which only Division 1 electors could vote in, which are about 9 electors. The Director at Large position is currently held by Mr. Vanderslice, and people in Divisions 1, 2 and 3 can sign his nominating petition and can vote for him. District counsel stated that Mr. Vanderslice will need to collect 10 signatures on his nominating petition, pursuant to statute. The Division 1 election will be a little more problematic because there are only 9 electors, but if Mr. Kai gets 6 or 7, it should be enough. The Division 1 election will only be noticed in Division 1. The Director at Large election will need to be posted in each of the three divisions. Placement of the notices in each division will be as follows: Division 1 is the U.S. Post Office; Division 2 will be the Carnitas Market on Highway 95; Division 3 will be the Mohave County Sherriff substation on Vanderslice Road. All notices shall be posted at the District Office and on the MVIDD website.

A brief discussion then ensued with regard to the MVIDD website. Staff reported that work was still ongoing although there were some technical difficulties. Staff reported that the website should be up and running by the end of September. Chairman Sherrill directed staff to contact George Simon for a meeting as to the website status.

Chairman Sherrill inquired as to whether or not Mr. Kai should be formally noticed by letter that his Division 1 seat was up for election. District counsel stated that when the election is called and the notice sent to electors, anyone who wishes to run can complete a nominating petition. District counsel stated that she did not think that Mr. Kai should receive preferential treatment over other qualified candidates within the District. District counsel stated that she would provide the call for election and nominating petition.

Mr. Vanderslice made a motion to call for election and directing staff to notice election. Mr. Hancock seconded the motion. All were in favor, motion passed.

5. PUBLIC INPUT.

There was no public input.

6. ADJOURNMENT.

Mr. Hancock made a motion to adjourn the meeting. Mr. Vanderslice seconded the motion. All were in favor, motion passed. The meeting was adjourned at 6:27 p.m.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the District. Requests should be made as early as possible to arrange the accommodations.