

# MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT

APPROVED: MAY 6, 2014

## MINUTES OF THE REGULAR BOARD MEETING HELD TUESDAY, APRIL 1, 2014 AT THE OFFICES OF THE MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT ("THE DISTRICT")

### CALL TO ORDER.

The meeting was called to order at 4:13 p.m.

### PLEDGE OF ALLEGIANCE.

The Pledge of Allegiance was led by Mr. Steve Buck.

### ROLL CALL.

Present: Charles B. ("Chip") Sherrill, Jr., Chairman, Director District III  
Vince Vasquez, Director District II  
John Kai, Director District I  
Perry Muscelli, Treasurer, Director At Large  
Clay Vanderslice, Director At Large  
Mark R. Clark, CCM, Manager  
Jamie Kelley, District Counsel  
Cecily ("CeCe") Preusser, Administrative Assistant

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

Mr. Muscelli made a motion to waive the reading of full minutes and resolutions presented for approval or adoption. Mr. Vasquez seconded the motion. All were in favor, motion passed.

### 1. REPORTS.

#### A. Staff report on water use.

Mr. Clark discussed the Water Use Report for February, 2014. Mr. Clark advised that the water usage for the month of February was 2,173 acre feet, which is 3.7 times higher than the amount of water used last year. Last year at this time the District had only used 585 acre feet of water. Mr. Clark advised that, so far in 2014, the District has used a total of 4,264 acre feet of water, compared to last year's 1,393 acre feet of water. Year to date the District is using 3.1 times the water that it used last year. This rise in water usage has to do with the fields that are in production this year that were not

in production last year, so we are seeing a comparable increase in water usage. Mr. Muscelli inquired as to the total acre feet of water that would be used in the District if we continued using water at this rate. Mr. Clark advised that it would be tough to say exactly how much water would be used at this time, but that it was unlikely that the District would go over its allocation, but the District will be a lot closer to its allocation this year than it was last year. Last year the District only used a little over 18,000 acre feet for agricultural, and total use for the District last year was a little over 25,000 acre feet.

Mr. Clark explained that the first couple of months last year saw very little water usage. Mr. Clark does not believe that we will continue to see these kinds of multiples as the District goes forward. As we get into the summer months, we will be using closer to what we were actually using last year, as WPI came on line mid-year of last year. We are just now seeing the benefits of that in the first half of the year. This time last year we were 3,000 acre feet behind what we had ordered. This year we are only 900 acre feet behind what we ordered.

- B. Bureau of Reclamation Lower Colorado Water Supply Report as of March 31, 2014; Snowpack Report and Lake Powell Water Data Graph.

Chairman Sherrill stated that Lake Powell is currently at 39% of capacity; Lake Mead is at 46%; Lake Mohave is at 92% and Lake Havasu is at 95%. Chairman Sherrill reminded that Lake Mohave and Lake Havasu are puddles compared to Lakes Powell and Mead. System contents are at 48%, system contents this time last year were at 54%. We are getting closer and closer to that shortage.

- C. USDA National Agricultural Statistics Service: Arizona Agri-Weekly for the month of March 2014; Cotton Ginnings Reports for March 2014.

Chairman Sherrill stated that not a lot has changed since last month's reports. We are below on rainfall and precipitation throughout the entire State. Canyon de Chelly is the best, at 99% of normal. All along the Colorado River is down on its precipitation. All three reports indicate basically the same facts with regard to precipitation.

- D. Arizona Meteorological Network Monthly Summary for March 2014.

Chairman Sherrill stated that the departure from normal for rainfall is at least an inch or better. Otherwise, the readings are very much within last month's readings.

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.

Chairman Sherrill stated that Regular Agenda Items 4A and 4B would be removed from the Agenda.

Item 4A, Suzanne Evans submitted the required reports. No action required.

Item 4B, Mr. and Mrs. Hurns submitted the required reports. No action is required.

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 March 4, 2014 Meeting Minutes.
- B. Ratify payment of expenses for March 2014.
- C. Approve the Snell & Wilmer Billing Statement for the month of February, 2014.

Mr. Kai made a motion that the Consent Agenda be approved in its entirety. Mr. Vasquez seconded the motion. All were in favor, motion passed.

4. **REGULAR AGENDA.**

- A. **Suzanne Evans, T19N, R23E, SEC. 18; APN No. 216-11-066; Contract No. 2010-02-SU.** Discussion and possible action to declare Contract No. 2010-02-SU, with a water allocation in the amount of 42 acre feet, in default for failure to report monthly water usage.

Item removed from Agenda.

- B. **Paul and Debra Hurns, T18N, R22W, SEC. 25, APN No. 225-25-016; Contract No. 2010-01-SU.** Discussion and possible action regarding Mr. and Mrs. Hurns' failure to correct the default under Contract No. 2010-01-SU, with a water allocation in the amount of 13 acre feet.

Item Removed from Agenda.

- C. **Willow Valley Estates 21, Tract 4228 (Formerly Willow Valley Estates 20, Tract 4134-C), T18N, R22W, SEC. 21.** Discussion and possible action to approve the developer's request to grant an extension of the preliminary water allocation in the amount of 10.1 acre feet.

Mr. Clark advised that approval of this request was being recommended as the developer has shown forward progress. The District received a letter from Mr. McKellips which went into great detail as to what was going on with this project and it appears that the appropriate forward progress is being made. Staff recommends approving the extension of the preliminary allocation for a period of six (6) months, or until October 10, 2014.

Mr. Clark went on to say that this request was being approved for six (6) months as the resolution adopted to grant a one (1) year extension to projects had expired. Therefore, only a six (6) month extension would be available.

Mr. Kai made a motion to approve the extension of the preliminary allocation in the amount of 10.1 acre feet. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

- D. **Mohave Landing, Tract 4213, Phases 2 and 3; T18N, R22W, SEC. 23.** Discussion and possible action to approve the developer's request for an extension of the preliminary water allocation in the amount of 21.42 acre feet in Phase 2 and 17.64 acre feet in Phase 3, as well as a deferment of the payment of the final 1/3 non-refundable fees in the amount of \$27,900.00.

Mr. Clark advised that staff was recommending approval of this extension request and for a deferment of the payment of the final 1/3 non-refundable fees. This particular project has run in to the same problem as the Westview project, the engineer has retired and the developer is in the process of locating another engineer for the project.

Mr. Kai made a motion to approve a six (6) month extension of the preliminary water allocation in the amount of 21.42 acre feet in Phase 2 and 17.64 acre feet in Phase 3, as well as approve a deferment of the payment of the final 1/3 non-refundable fees. Said extension shall expire on October 10, 2014. Mr. Muscelli seconded the motion. All were in favor, motion passed.

- E. **Mohave Valley Commons, Tract 4212; T19N, R22W, SEC. 22.** Discussion and possible action to approve the developer's request for an extension of the preliminary water allocation in the amount of 43.88 acre feet.

Mr. Clark advised that staff is recommending approval of an extension of the preliminary water allocation in the amount of 43.88 acre feet. Mr. Clark stated that this would also be a six (6) month extension until October 10, 2014. Mr. Clark pointed out that information that was provided by Mr. Ray Stadler in connection with this allocation extension request set forth that the developer is looking to partner with some other developers. The District had a couple of projects that came before the Board a few months ago which

were basically being marketed by the developers. The District took back the preliminary allocations on those projects. The Board originally gave those two projects one six (6) month extension to show forward progress. After the extension was up and no further forward progress had been made, the water was taken back. Staff is recommending that the Board approve this six (6) month extension to give the developers an opportunity to develop the property and show forward progress. However, no further extensions shall be afforded without proof of true forward progress being made. "Forming joint ventures" or "effectively marketing" the project will not be considered forward progress.

Mr. Muscelli made a motion that the preliminary water allocation in the amount of 43.88 acre feet be approved for a period of six (6) months, to and including October 10, 2014. Mr. Kai seconded the motion. All were in favor, motion passed.

## **5. PUBLIC INPUT.**

Mr. Wayne McKellips gave a construction update as to the progress being made on the irrigation ditches on those parcels that have combined with Mr. McKellips to bring their parcels into compliance with Resolution 2008-09. Mr. McKellips asserted that Mr. John Kai had joined the group, which delayed things a little. There have been several paperwork snafus, but that the project was on track. Chairman Sherrill stated that he has personally witnessed all of the work going on at the parcel sites.

Mr. McKellips stated that it was his understanding that this matter was to be placed on the April agenda for discussion. Ms. Preusser apologized for the misunderstanding and Mr. Clark stated that the matter would be placed on the May agenda for discussion and update.

Mr. Steve Buck advised that the agreement between Bella Vista and MCWA is moving forward, although at a very slow pace.

## **6. ADJOURNMENT.**

There being no further business to be considered by the Board, Mr. Kai made a motion that the Meeting be adjourned. Mr. Muscelli seconded the motion. All were in favor, motion passed. The Meeting adjourned at 4:29 p.m.