

MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT

APPROVED: JUNE 3, 2014

MINUTES OF THE REGULAR BOARD MEETING HELD TUESDAY, MAY 6, 2014 AT THE OFFICES OF THE MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT ("THE DISTRICT")

CALL TO ORDER.

The meeting was called to order at 4:10 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. Kai made a motion to waive the reading of full minutes and resolutions presented for approval or adoption. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

1. REPORTS.

A. Staff report on water use.

Mr. Clark advised that the water usage for the month of March was 3,123 acre feet. We have stopped having the huge multiples we were having in January and February, and is almost double of what last year's usage was. At this point, we are looking at 7,385 acre feet for this year compared to 3,856 acre feet for the same time period. The District is looking at being in the neighborhood of 37,000 to 38,000 acre feet being used for 2014, which is significantly above what water we used last year, which was 25,000 acre

feet. This significant increase in water usage will look good to the Bureau of Reclamation as we are trying to get the effluent program going.

- B. Bureau of Reclamation Lower Colorado Water Supply Report as of April 30, 2014; Snowpack Report and Lake Powell Water Data Graph.

Chairman Sherrill stated that there was nothing good to report. Total System Contents are at 47%, last year they were at 57%. Total Lower Basin Use was 7,174 acre feet. Water delivered in Mexico amounted to 1,528 acre feet. As to the unregulated inflow into Lake Powell, April mid-month forecast dated April 16, 2014: The 2014 water forecast is 11,112,000 acre feet, which is 103% of normal; Forecasted April-July of 2014 is 110% of normal; the March observed inflow is 76% of normal; and the April inflow forecast is 90% of normal. Mr. Perry inquired as to the elevation of Lake Mead. Mr. Clark answered that Lake Mead was currently at 1,095 elevation. Mr. Clark stated that he had looked at the report and the report showed that the level had dropped two (2) feet from where it was last week. Chairman Sherrill stated the drop was most likely due to the water that was being sent to Mexico to support the delta.

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

Chairman Sherrill stated that the reports show that subsoil crop moisture is short at 34%, adequate at 66%. Your crops for five (5) years are pretty average, and we are behind on rainfall across the entire state, anywhere from 3.16 inches down to 1.5 inches to 3/4 inches.

- D. Arizona Meteorological Network Monthly Summary for April, 2014.

The Meteorological Network Monthly Summary shows basically the same weather information as is contained in the Agricultural Statistics Reports.

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.

Mr. Clark addressed the Chairman and suggested that Items 4F, G, H, I and J be removed from the Regular Agenda, as the issues relevant to those items have each been addressed.

Mr. Kai made a motion to remove Items 4F, G, H, I and J from the Regular Agenda. Mr. Muscelli seconded the motion. All were in favor, motion passed.

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 April 1, 2014 Meeting Minutes.
- B. Ratify payment of expenses for April, 2014.
- C. Approve the Snell & Wilmer Billing Statement for the month of March, 2014.

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

4. **REGULAR AGENDA.**

- A. **Village Estates, Tract 4198, Phases B-F and Parcel A, T18N, R22W, Sec. 3.** Discussion and possible action to approve an extension of the conditional final water allocation for Phases B-F and Parcel A in the amount of 148.84 acre feet for a period of six (6) months, to and including November 10, 2014.

Mr. Clark advised that staff was recommending approval of this request. The developer presented a package which included pictures of pipe going into the ground proving that forward progress was being made. Therefore, staff is recommending an extension of the 148.84 conditional final allocation for a period of six (6) months, to and including November 10, 2014.

Mr. Muscelli made a motion that the request for an extension of the conditional final allocation be approved for a period of six (6) months, to and including November 10, 2014. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

- B. **Twin Palms Estates, Tract 4189, T19N, R22W, Sec. 36.** Discussion and possible action to approve an extension of the preliminary water allocation of 19.74 acre feet for a period of six (6) months, to and including November 10, 2014.

Mr. Clark advised that staff is recommending approval of this request for a period of six (6) months to and including November 10, 2014, for 19.74 acre feet of water. The development has been showing forward progress.

Mr. Kai made a motion that the request for an extension of the preliminary allocation of 19.74 acre feet be approved for a period of six (6) months, to and including November 10, 2014. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

- C. **Mohave Valley Commons, Tract 4212; T19N, R22W, Sec. 22.** Discussion and possible action to revising the extension of the preliminary water allocation in the amount of 43.88 acre feet from October 10, 2014 until November 10, 2014.

Mr. Clark advised that this is just a correction of the Board's decision to extend the preliminary water allocation in the amount of 43.88 acre feet from October 10, 2014 to November 10, 2014. Mr. Clark stated that staff had suggested approving the preliminary water allocation for six (6) months and inadvertently put October 10, 2014 instead of November 10, 2014. This will serve to correct that error.

Mr. Kai made a motion to correct the extension of the preliminary water allocation from October 10, 2014 to November 10, 2014. Mr. Muscelli seconded the motion. All were in favor, motion passed.

- D. **Policy Requiring Lined Irrigation Ditches, Resolution No. 2008-09.** Discussion and possible action regarding the current progress made by the McKellips Group in their efforts to bring the following contracts into compliance with Resolution No. 2008-09 and the request for a 60 to 90 day extension to complete the project:

Desert Land, LLC	Contract No. 2012-03
Steve Dinkin	Contract No. 2007-06
Anthony Vackar	Contract Nos. 2007-07, 2013-01 and 2013-02
Wayne McKellips	Contract No. 1993-01
SMK Limited Partners	Contract No. 2009-05

Mr. Clark stated that he had spoken with Mr. McKellips on May 5, 2014, and that Mr. McKellips had advised that they were making forward progress on this project and anticipated it being completed within the next 60 days. Staff is recommending a 90 day extension, however, because the project could take longer than 60 days to complete due to the hold-up the project was facing due to the gas company that has a high-pressure gas line running across the property. Getting approval to dig in that area has held the project up a little bit.

Mr. Kai made a motion to approve a 90 day extension in which to complete the project. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

- E. **APN Investments, T18N, R22W, Sec. 15; Contract No. 2010-01, Invoice No. 3372.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3372 for APN's 2013 agricultural use fees in the amount of \$836.45.

Mr. Clark advised that staff is recommending that the contract be declared in default for non-payment. APN Investments will have 30 days in which to pay the fees and cure the default. Mr. Clark stated that APN Investments had stated that they had sent the check but it has not been received by the District Office as of this date.

Mr. Muscelli made a motion that Contract No. 2010-01 be declared in default for non-payment of agricultural use fees. Mr. Kai seconded the motion. All were in favor, motion passed.

- F. **Huukan Golf Club, T19N, R22W, Sec. 36; Contract No. 1992-02, Invoice No. 3395.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3395 for its 2014 amenity use fees in the amount of \$26,730.00.

[Removed from Agenda.](#)

- G. **Los Lagos Golf Course, T18N, R22W, Sec. 01; Contract No. 1992-03, Invoice No. 3393.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3393 for its 2014 amenity use fees in the amount of \$29,036.71.

[Removed from Agenda.](#)

- H. **Anthony and Cherie Vackar, T18N, R22W, Sec. 27; Contract No. 2007-07, Invoice No. 3398.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3398 for their 2013 agricultural use fees in the amount of \$422.41.

[Removed from Agenda.](#)

- I. **Anthony and Cherie Vackar, T18N, R22W, Sec. 27; Contract No. 2013-02, Invoice No. 3358.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3358 for their 2013 agricultural use fees in the amount of \$177.80.

[Removed from Agenda.](#)

- J. **Anthony and Cherie Vackar, T18N, R22W, Sec. 27; Contract No. 2013-01, Invoice No. 3396.** Discussion and possible action to declare the contract in default for failure to timely pay Invoice No. 3396 for its 2014 amenity use fees in the amount of \$2,673.01.

[Removed from Agenda.](#)

- K. **Mohave Valley Farms, LLC (Robert and Sarah Chesney), T9N, R23E, Sec. 33 and 34.** Discussion and possible action to approve water entitlement in the amount of 383.84 acre feet.

Mr. Clark advised that staff is recommending approval of the water entitlement for 383.84 acre feet. This property was actually outside the District boundaries but within the District's service area. The property, which is a little over 170 acres, has since been brought into the District's boundaries. The property had a set aside for 383.84 acre feet for quite some time and they have been using the water. Mr. Clark stated that this inclusion would not affect the water inventory, because this entitlement had been included in the water inventory.

Mr. Kai made a motion to approve the water entitlement in the amount 383.84 acre feet. Mr. Vanderslice seconded the motion. All were in favor, motion passed.

- L. **MVIDD Water Conservation Report.** Discussion regarding observations and recommendations made by the members of the Board relative to the MVIDD Water Conservation Report prepared by Manager Mark Clark.

Mr. Clark stated that he had been working on the Water Conservation Report for the District. He advised the Board of where the back-up material supporting the report could be located, if any of the Board Members were interested in looking over that data. Mr. Clark stated that this was a Report that was supposed to be prepared by the District every five (5) years and ours is now due. Mr. Clark advised that the report went through the goals of the District, what the District anticipated problems the District was facing with regard to water conservation and what the District's implementation schedule would be going forward. Once the Report is final and approved by the Board, it will then be published on the MVIDD website. Copies of the Report will be available at the District office for the public to review.

Chairman Sherrill added that the final report was now in hand for the Board to digest and make corrections to, if necessary. The report will be on next month's agenda for final approval.

Mr. Clark stated that he had provided to the Bureau of Reclamation a draft copy of the plan. The BOR told Mr. Clark that it was one of the best plans they have ever seen, it was very well written. Mr. Clark expects there to be no problem from the BOR since they were so positive about the draft that was provided to them.

Mr. Muscelli asked if the BOR had responded in writing. Mr. Clark answered that included in the Board's packet was an email dated March 28, 2014 from Charles McCaughey of the Bureau of Reclamation stating that the District's Water Conservation Report was comprehensive and well written, and offering suggestions.

5. PUBLIC INPUT.

Mr. Steve Buck asked if there was something else going on in the Water Conservation Report with regard to the effluent plan. Mr. Clark stated that the District is still trying to bring effluent from Bullhead City down here. We haven't given up. Mr. Buck stated that Bella Vista is continuing to extend their contract relationship with the Mohave Water Conservation District and that Bella Vista is working with Tom Sockwell. Mr. Buck stated that a letter had been written to Janet Watson and presented to Maureen George for review to make sure the terminology was correct. Mr. Buck stated that Bella Vista was asking for an extension of its water use to 2025. Mr. Buck stated that prospects for acceptance of their proposal were looking good.

Mr. Vackar asked how long the District had been working on bringing effluent to the Valley. Mr. Clark responded that he believed it had been an ongoing process for about ten (10) years. Chairman Sherrill stated the price of bringing the effluent to the Valley was a driving factor of why it has taken so long. Chairman Sherrill also stated that the negotiations as to what the price of effluent is worth to the City and what the amenity users were going to be able to pay for it was also a consideration that has been problematic. Chairman Sherrill stated that there were stumbling blocks in the way, however, he was encouraged that bringing effluent to the amenity users in the Valley can be accomplished and we were going to continue to work on it. Chairman Sherrill stated that bringing effluent to the Valley was very important as the re-use of water in Arizona was especially important, and that it was just a matter of time before the use of "toilet-to-tap" water was the norm. The technology is in place to make it happen, it's just that most people are not comfortable with the notion.

Mr. Buck asked if any progress had been made with ADWR. Mr. Clark responded that, unfortunately, since Sandy left and Mike is now in charge he will have to build the traction all over again. Mr. Clark stated that the City of Bullhead City is on hold until the District can get something with ADWR and BOR moving.

6. ADJOURNMENT.

There being no further business to be considered by the Board, Mr. Vasquez made a motion that the Meeting be adjourned. Mr. Muscelli seconded the motion. All were in favor, motion passed. The Meeting adjourned at 4:25 p.m.