

MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT

Approved
12/01/15

NOTICE OF AND AGENDA FOR THE REGULAR BOARD MEETING TO BE HELD NOVEMBER 3, 2015 AT THE OFFICES OF THE MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT MEETING TO BEGIN AT 4:00 P.M.

CALL TO ORDER.

The meeting was called to order at 4:00pm by Charles B. Sherrill, Jr.

PLEDGE OF ALLEGIANCE.

The Pledge of Allegiance was lead by Perry Muscelli.

ROLL CALL.

Present: Charles B. (Chip) Sherrill, Jr., Chairman/Director Division III
Vince Vasquez, Director Division II
Perry Muscelli, Treasurer/Director at Large
Clay Vanderslice, Director at Large
John Kai, Jr., Director Division I
Jamie Kelly, District Counsel
Mark Clark, CCM, Manager
Kerri Hatz, Administrative Assistant

Absent: None

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

A waiver motion was made by John Kai, Jr., and Seconded by Perry Muscelli, all board members were in favor, motion passed.

1. REPORTS.

A. Staff report on water use.

Manager Mark Clark reported that year to date water use as of September 30, 2015 was 26,537 acre feet, 22,082 acre feet was agricultural, 4,455 was M & I, 83.2 % is being used for agricultural and 16.8% is being used for M & I purposes. Last year at this time, we had used 28,541 acre feet so we are about 2,000 acre feet behind last years usage. The bulk of that happened early in the year, the last few months we have actually used more water this year than last year, for example, in September we used about 500 acre feet more than we did in 2014. I am

anticipating that we will continue to use more and close the 2,000 acre foot gap.

- B. Bureau of Reclamation Lower Colorado Water Supply Report as of : October 19, 2015; Upper Colorado River Basin Snowpack Report; Lake Powell Water Data Graph; and Lake Mead Water Data Graph.

Manager Mark Clark reported that Lake Powell is currently at 51% full at an elevation of 3,605, and Perry had previously asked about the lower elevation, Mark reported that it is 3,575; upper is 3,649. Lake Mead is currently at 1,078 and holding steady at that level and is 38% full. Total system content is 51% this year and was 50% last year. We have gained a little bit due to the spring and summer rains we received. Vince Vasquez stated it is also because of the conservation of keeping the water behind the dam. Mark Clark confirmed that and added that CAP has left about half of the water they anticipated leaving behind the dam about 164,000 acre feet. The Bureau and Metropolitan Water hasn't done anything yet, but CAP has been strongly putting some of theirs behind the dam. As you can see from the other graphs, the snows were a lot less than average, we are hoping for a strong El Nino that will bring a lot of precipitation and snow for the upper elevations in Utah, Colorado and Wyoming.

- 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, no action.

- 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 October 6, 2015 Executive Meeting Minutes
- B. Approve the October 6, 2015 Regular Meeting Minutes
- C. Ratify payment of expenses for October, 2015

John Kai made a motion to approve, Vince Vasquez seconded. All were in favor, motion passed.

- 4. **REGULAR AGENDA.**

- A. **Ratification of Subcontract Between MCWA and MVIDD.** Discussion and possible action to ratify the contract between MCWA and MVIDD for the purchase and firming of 250 acre feet of 4th priority water.

Mark Clark stated this is the Contract we had discussed prior to this meeting and a couple of other meetings. This is the final contract between MCWA and MVIDD to purchase the extra 250 acre feet that they still have available. The city of Lake Havasu City is going to buy the other 250 acre feet that the water authority has available. This will complete all of the sales of water that the MCWA has, it is a

great price at just over \$1000 an acre foot for this water, there is no water this cheap anywhere on the river and all of the water available is multiples of this price. This is a steal and we really need to buy this water. The board already approved the purchase of this in the budget of this fiscal year. The money is available for the purchase of this, staff is recommending the purchase of this and payment. John Kai made a motion to approve, Perry Muscelli seconded, all were in favor, motion passed.

- B. **MVIDD Insurance Renewal.** Discussion and possible action to approve the property insurance adjustment for MVIDD.
Mark Clark stated we had been asked a couple of questions at the last board meeting about increasing the deductible, that would save about \$100 a year and what the value of our facility is and they said it should be insured for about \$200,000 and we are currently insured for \$169,000. To increase to \$200,000 it would increase premium \$74 a year and to implement both of these items would net us about \$25.00 back. Perry Muscelli stated that typically we need to be at the insurance companies estimate of coverage on the building to be covered up to that amount. Perry Muscelli made a motion to increase the building coverage to \$200,000 and to raise the deductible to save the premium there. John Kai seconded the motion. All were in favor, motion approved.
- C. **Sherrill Ventures, LLLP, T18N, R21W, Section 31, Application for a water allocation transfer from Contract 2008-01 to T17N, R22W, Section 01, APN: 224-20-012 (120.10AF).** Discussion and possible action to approve the application to transfer 120.10 acre feet of water to, and approval of the water entitlement application of Sherrill Ventures LLLP, for agricultural beneficial use on approximately 20 gross acres.
Mark Clark stated that we have received the application for this, this is not new water, this is a transfer from contract 2008-01. This is a portion of the water from that contract, staff has received all documents and is recommending approval. Perry Muscelli asked if we would just modify this contract, Mark Clark stated no, that they would receive a new contract and contract 2008-01 would just go away. Perry Muscelli made a motion to approve, John Kai seconded, Charles B. Sherrill, Jr. abstained. All in favor, motion approved.
- D. **Sherrill Ventures, LLLP, T18N, R21W, Section 31, Application for a water allocation transfer from Contract 2008-01 to T17N, R22W, Section 01, APN: 224-20-005 (256 AF).** Discussion and possible action to approve the application to transfer 256 acre feet of water to, and approval of the water entitlement application of Sherrill Ventures LLLP and WPI-CAD Farm AZ, LLC for agricultural beneficial use on approximately 40 gross acres.
Mark Clark stated that this 256 acre feet is the rest of the water from contract 2008-01, this water is on a different 40 acres within the same section as the prior contract. Staff has received the application and all documents. No new water, this is all existing water and staff is recommending approval. Clay Vanderslice asked if fees were going to be paid for this transfer and Mark Clark replied yes. John Kai made a motion to approve, Perry Muscelli seconded the motion, Vince Vasquez and

Charles B. Sherrill, Jr. abstained. All in favor, motion approved.

- E. **Grand Hoarding, LLC., T17N, R22W, Section 09, APN: 216-11-103, 216-11-104, 216-11-105, 216-11-016. Termination of Preliminary Allocation Application, for non payment of fees.** Discussion and possible action to approve the termination of the Preliminary allocation application.

Manager Mark Clark stated this was a group that came in and the board approved a Preliminary Allocation for their four individual single family lots back in July. We have had numerous communications with them, they owe approximately \$2,200.00 and we have not received payment from them. They said they were going to make a payment, but we have not received it yet so it is time for us to go ahead and terminate this contract. We have not heard from them in the last couple weeks. They were aware that we were putting this on the agenda if we did not receive payment. Charles B. Sherrill asked if we physically spoke with them, Mark replied that we did physically talk with them and letters were sent as well. Perry Muscelli asked if the letters were sent return receipt and Mark replied no but they were sent letters and we spoke to them as well. Mark stated that if the board approved this tonight then Grand Hoarding still had another 30 days in which to make payment and cancel this termination. Perry Muscelli asked if they created these four lots, Mark Clark replied no, that there were four subdivided lots that they have procured somehow and those lots did not have a water allocation so they came in because they want to develop those lots, however they have made not payments on the water allocation. Perry Muscelli asked if we would be sending them another letter if this is approved, Mark Clark replied yes and then they would have another 30 days to get the payment in. Perry Muscelli asked does that mean if the payment is not received then the Preliminary Allocation Application is terminated and needs not further action and Mark Clark replied yes that if the board approves this termination today then no further action is required of the board, however if they do pay then everything is fine. Clay Vanderslice asked if they don't pay then the "District" just gets the water back and Mark Clark replied yes it would go back into the water inventory. It's about 1.36 acre feet of water. Perry Muscelli made a motion for approval, John Kai seconded, all in favor, motion passed.

- F. **Waterway Holding Acknowledgment and Confirmation of Exhaustion of Rights.** Discussion and possible action to approve the Acknowledgment and confirmation of exhaustion of rights under water entitlement settlement agreement between WPI-919 Farm, LLC and Black Mountain Farms, LLC and Francis E. Otto and Mohave Valley Irrigation & Drainage District.

Mark Clark stated that the agreement has been signed by all parties, except MVIDD, subject to the boards approval tonight then we would sign it and it would exhaust the Waterway Holdings Agreement and put it to bed once and for all. We have been cleaning up a number of these things over the last couple of years, Jamie has been working really hard on a lot of these and this is just one more of those things that will be nice to have cleaned up. Perry Muscelli asked if the document would be recorded. Jamie Kelley replied that it would. Perry Muscelli made a motion for approval, John Kai seconded, Vince Vasquez abstained. All in favor, motion passed.

5. PUBLIC INPUT.

Charles B. Sherrill asked if there was any Public input. No one had anything, Charles B. Sherrill thanked everyone for coming and said he wished there was a little more participation with attendance and reminded them that this is their district so please continue to come and we would love any suggestions or input.

6. ADJOURNMENT.

John Kai made a motion to adjourn, Vince Vasquez seconded. All in favor, motion passed.

4:20pm