

MINUTES OF THE PUBLIC MEETING OF THE MOHAVE VALLEY IRRIGATION & DRAINAGE DISTRICT

Held September 05, 2023

Public Meeting 4:00PM

Mohave Valley Irrigation & Drainage District

1460 E. Commercial Street, Mohave Valley, AZ 86440

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Mohave Valley Irrigation and Drainage District and to the general public that the Mohave Valley Irrigation and Drainage District will hold a meeting open to the public on Tuesday, September 05, 2023 at 2:00 pm via Zoom Teleconference. As indicated on the agenda, pursuant to A.R.S. § 38-431.03(A) Items 2a, 2b, 8M and 8N, the Mohave Valley Irrigation & Drainage District may vote to go into executive session, which will not be open to the public, to discuss certain matters. The board will reconvene in Open Session via Zoom Teleconference beginning at 4:00pm.

CALL TO ORDER. Chairman, Charles B. Sherrill, Jr., called the meeting to order at 2:03 pm.

1. ROLL CALL.

Present: Charles ("Chip") B. Sherrill, Jr., Chairman/Director Division III
Clay Vanderslice, Director at Large
Kerri Hatz, General Manager

Via Teams: Vince Vasquez, Director Division II
Perry Muscelli, Treasurer/Director at Large
John Kai, Jr., Director Division I
Michael J. Pearce, District Counsel

Absent: None

2. Consideration of Action to go into Executive Session of the Board for the following purposes: Vince Vasquez made a motion to go into executive session, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill – Y.

- a. *Pursuant to A.R.S. §38-431.03(A)(3)(4) & (7), discussion and consultation with legal counsel of the District to obtain legal advice on any matter listed on the agenda.
- b. *Discussion and consultation with legal counsel regarding the upcoming Legislative Session.

[The discussions and minutes of the executive session shall be kept confidential. The executive session of the Board is not open to the public.] Perry Muscelli made a motion to adjourn executive session, Vince Vasquez seconded the motion. All in favor, motion

passed. Kai – Y; Muscelli - Y; Vanderslice – Y; Vasquez- Y; Sherrill – Y. 3:24 pm.

3. **RECONVENE IN OPEN SESSION.** Open session reconvened at 4:05pm.
4. **PLEDGE OF ALLEGIANCE.** Perry Muscelli led the Pledge of Allegiance.
5. **WAIVER MOTION.** Motion to waive the reading of full minutes and resolutions presented for approval or adoption. Perry Muscelli made a motion to waive the reading of the full minutes and resolutions presented for approval or adoption, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez- Y; Sherrill – Y.
6. **AGENDA MODIFICATION.** Possible action to withdraw from or move any item on the agenda. No action taken.

7. REPORTS.

Water: Staff summarized the District water use for the date ending July 31, 2023 and current levels of both Lake Powell and Lake Mead and advised that in 2024 Reclamation will be operating in a Tier 1 shortage condition.

- a. Staff report on District water use.
- b. Bureau of Reclamation Lower Colorado Water Supply Report.

Finances: Staff reviewed the finances with the Board of Directors.

- c. Profit & Loss Budget vs. Actual year to date July 01, 2023, thru July 31, 2023
- d. Profit & Loss Statement for July 2023.
- e. Balance Sheet as of July 31, 2023.

Other:

- f. MVIDD Staff Report. – General information to update the board members. Staff advised the Board of Directors:

Agribusiness' Annual Meeting will be held Friday September 15, 2023.

CAP Roundtable for CAGR 2025 Plan of Operations will be held September 6th from 9:00am-11:00am both livestream and in Person at the CAP Headquarters in the Lake Mead Conference Room.

MVIDD's Annual water order is due to Reclamation by September 15th and we will submit an order for our entire contracted allocation which will be

adjusted as we finalize our 2024 Plan of Creation for 2024 System Conservation.

8. REGULAR AGENDA

A. Approve the August 01, 2023 Regular Session Meeting Minutes. Discussion and possible action to approve the regular meeting minutes for last month. Clay Vanderslice made a motion to approve the meeting minutes, Perry Muscelli seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill – Y.

B. Approve the August 01, 2023 Executive Session Meeting Minutes. Discussion and possible action to approve the executive session meeting minutes for last month. Clay Vanderslice made a motion to approve the meeting minutes, Perry Muscelli seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill – Y.

C. Ratify Expenses for August 2023. Discussion and possible action to ratify the expenses for last month. Perry Muscelli made a motion to ratify the expenses for last month, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

D. Resolution 2023-03 Policy and Procedures to transfer Preliminary Water Allocation to Domestic use. Discussion and possible action regarding Resolution 2023-03. (Previously reviewed at the July 11, 2023 and August 01, 2023 board meetings) Mr. Pearce, district counsel, reviewed the Resolution for adoption again with the board and general public. Staff advised that the District had not received any comments or questions regarding the proposed Resolution. Vince Vasquez made a motion to approve the Resolution, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill – Y.

E. Academy of Building Industries; 1547 E. Lipan Blvd., Fort Mohave, AZ; T19N, R22W, Section 35; APN: 226-07-106. Request to transfer 1-acre foot of water from Jeremiah Perkins AG Contract 2015-02 in Section 25. Discussion and possible action to approve the AG to domestic use transfer. Staff reviewed the transfer application and detailed water calculations for this project with the Board of Directors. One acre foot will be transferred with a net 0.92-acre feet being assigned to this project and 0.08-acre feet will be retained by the District. Vince Vasquez made a motion to approve the transfer, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

F. Coyote Run, Tract 4176 Phases B, C, & D: T19N, R22W, Section 23; APN: 228-04-310; Mike DeMore, Smores 1, LLC. Request to transfer 38.19-acre feet of water from Green Acres Mohave AG Contract 2009-01C. Discussion and possible action to approve the AG to domestic use transfer. Perry Muscelli recused himself from discussion on this item. Staff reviewed the transfer application and water calculations for this project with the Board of Directors. Staff advised that this parcel is currently in Escrow with Mike Demore and is scheduled to close Escrow on October 26, 2023. Staff recommended that three conditions be met before the transfer can take place. (1) Completion of Escrow, (2) Confirmation of the agreement being finalized between Green Acres Mohave within 30 days of Escrow closing and (3) all transfer fees with the District being satisfied within 30 days of Escrow closing. The amount to transfer is 38.19-acre feet of water with a net total of 35.36-acre feet of water for 104 lots for this project and 2.83-acre feet of water being retained by the District. Vince Vasquez made a motion to approve this transfer with the three conditions as recommended, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – A; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

G. Valley View @ Sunrise T4201; T18N, R22W, Section 06; Extension Request for 6 lots Held Over from T4201C. Discussion and possible action regarding the extension request to preserve 6 lots for 12 months to then be transferred to a future project. Staff reviewed the extension request with the Board of Directors. The project owner would like to transfer the existing water allocation to a proposed parcel plat split that will consist of 5 lots. Staff recommended that the transfer will not be finalized until proof of the parcel plat recording with Mohave County and that may take up to a year, in addition the transfer fees must be paid to the District after proof of the parcel plat recording. Vince Vasquez made a motion to approve the extension for 12-months to allow for the parcel plat to record, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

H. Voter Registration: Thomas Habermel, 8055 S. Aquarius Dr., Mohave Valley, AZ; Division II; AG Contract 2022-01. Discussion and possible action to approve the voter registration of Thomas Habermel. Staff review the voter registration application with the Board of Directors. Vince Vasquez made a motion to approve the voter registration of Thomas Habermel for Division II, John Kai, Jr., seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

I. Statement of Cash Receipts and Disbursements for Fiscal Year Ended June 30, 2023. Discussion and possible action to approve the fiscal year-end financial

review from HintonBurdick CPA's & Advisors. Staff review the statement of cash receipts and disbursements with the Board of Directors. Vince Vasquez made a motion to approve the statement of cash receipts for fiscal year-end June 20, 2023, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

J. Engagement of Land IQ for 2024 System Conservation Analysis. Discussion and possible action to approve the proposal to engage Land IQ for consumptive use calculations, crop mapping, and documentation of methods and results. Staff reviewed the proposal and four tasks with the Board of Directors. Vince Vasquez made a motion to approve the engagement of Land IQ, Clay Vanderslice seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

K. Business Certificates of Deposit (CD) Interest Rates. Discussion and possible action regarding transferring monies from MVIDD Chase Money Market account into a short-term CD. Staff reviewed the current rates on CDs from Chase Bank and the Arizona Local Government Investment Pools along with AZ Statue 35-323.01 regarding investment of government monies in deposits; conditions; definition. This item is tabled until further clarification of possible penalties for early withdrawal of funds or partial funds from a CD and if Chase bank is an approved financial institution in accordance with AZ Statue 35-323.01. Clay Vanderslice made a motion to table this item, John Kai, Jr., seconded the motion. All in favor, motion passed. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

L. 2023 System Conservation Agreement. Discussion update only regarding 2023 System Conservation. Staff advised that the District received its fully executed 2023 SCIA Agreement with Reclamation on August 16th and have received confirmation of the July field inspections with no discrepancies found. Payments one and two should be received by October 16th, if not sooner. No action taken.

M. *Funding Opportunity for Voluntary Participation in the Lower Colorado Basing (LCB) Conservation and Efficiency Program. Discussion update regarding long-term durable system efficiency improvement project proposals that result in water conservation benefiting the lower Colorado River System and its water users. Staff advised that the District submitted on August 18th an exploratory proposal of interest in the Lower Colorado River Conservation and Efficiency Program. No action taken.

N. *Realtor Association Sets Water Issue Priorities Article in Mohave Daily News. Discussion only regarding the newspaper article circulated on August 17,

2023. Staff review the article printed in the paper with the Board of Directors. Karen Summit was present at the District board room. Chip, the chairman, explained past efforts of the District to work with both Bullhead City and Fort Mojave Tribal Utilities Authority regarding effluent production within the District. There are extreme costs and legal hoops to be able to build, facilitate, and regulate a system in the District and unfortunately, nobody wants to pay for it. Regarding leaving one acre foot of water per every three acres, we do not want to dedicate water to lands that will not be developed or the water not being beneficially used. The District's water allocation is for the beneficial use of the water and the development of lands that will use that water. Chip expressed that if the public, realtors, investors, etc., have questions, please come to the meetings or request to address the Board of Directors at one of the monthly meetings. The District encourages the public to attend the meetings and learn what the District is all about.

9. CALL THE PUBLIC. *Those wishing to address the Board at the Call to the Public regarding matters not on the Board agenda can request to do so at this time. Action Taken as a result of public comments will be limited to responding to criticism, referral to staff, or placing a matter on a future Agenda. Comments are restricted to items **NOT** on the Regular Agenda and must relate to matters within the jurisdiction of the Board. No members of the public addressed the Board of Directors.*

10. ADJOURNMENT. Clay Vanderslice made a motion to adjourn the meeting, Perry Muscelli seconded the motion. All in favor, the meeting adjourned at 5:36pm. Kai – Y; Muscelli – Y; Vanderslice – Y; Vasquez – Y; Sherrill- Y.

Agendas are available on our website www.mvidd.net, as well as posted outside the District office bulletin board outside the office door located at 1460 E. Commercial Street, Mohave Valley, AZ 86440. To subscribe to agenda notifications please visit our website.

Pursuant to the Americans with Disabilities Act (ADA), Mohave Valley Irrigation & Drainage District endeavors to ensure the accessibility of all its programs, facilities, and services to all persons with disabilities. For accommodation, please contact the District office at 928-768-3325. Requests should be made 48 hours prior to the meeting to arrange the accommodation.

Items on the Agenda marked with an asterisk (*) will be discussed in executive session with District counsel in accordance with A.R.S. § 38-431.03(A)(3)(4) & (7).

Vote Key: Y = YES; N = NO; A = ABSTAIN