

**MINUTES OF THE BOARD OF DIRECTORS MEETING
MOHAVE COUNTY WATER AUTHORITY
MARCH 12, 2019**

The Board of Directors of the Mohave County Water Authority held a duly noticed meeting on Tuesday, March 12, 2019. The meeting was held at the Dambar Steakhouse, 1960 E. Andy Devine Ave., Kingman, AZ. Public notice of the meeting was given by a posting of a notice thereof pursuant to Arizona law, a copy of which notice is attached as "Exhibit A" to these minutes.

- I. Call to Order – The meeting was called to order at 11:35 a.m. by Chairman Mark Clark. In attendance were the following members: Mark Clark, City of Bullhead City; Kelly Garry, Lake Havasu City; Jen Miles, City of Kingman; Chip Sherrill, Mohave Valley Irrigation & Drainage District, Bill Trotter, Golden Shores Water Conservation District and Janis Duke, Mohave County Board of Supervisors. Others present included, Cal Sheehy, Lake Havasu City; Viviane Baji and Shannon Reif, ADWR; Tina Moline, Rob Owen, Melissa Ellico and Nancy Sipe, City of Kingman; Wendell Ormiston, Golden Shores, Jamie Kelley, General Counsel and Kelley Crenshaw.

A majority of the members of the Board of Directors was in attendance, thereby constituting a quorum for the transaction of business.

- II. **A motion was made by Chip Sherrill to approve the minutes of the December 11, 2018 meeting, seconded by Bill Trotter and approved unanimously by the members present.**
- III. Agenda Modifications. No action was taken.
- IV. Approval of Expenses. Tina Moline from City of Kingman presented the expenses for November 2018 through January 2019. **A motion was made by Chip Sherrill to approve the expenses as presented, seconded by Jen Miles, and approved unanimously by the members present.**
- V. Review and Acceptance of Financial Reports. Tina Moline from City of Kingman prepared the financial reports and provided a brief breakdown of the various accounts contained therein. **A motion was made by Chip Sherrill to accept the financial reports as presented, seconded by Bill Trotter and approved unanimously by the members present.**

VI. Discussion and Possible Action.

- A. Oppose Queen Creek Cibola Water Transfer. Jamie Kelley informed the members that Queen Creek has requested consultation with ADWR as required by DWR Transfer Policy for transfer of water. Jamie advised of the need to oppose the Queen Creek Cibola Water Transfer and inquired if it was still the Authority's position to keep water from being moved off the river. Jamie further advised if the Authority decided to oppose the transfer a formal resolution would be prepared and circulated for signature by the Authority representative and that the Authority would be requesting its members pass a similar resolution opposing the transfer. **A Motion was made by Jen Miles to oppose the Queen Creek Cibola Water Transfer. Bill Trotter seconded the Motion. The Motion passed by an unanimous vote of the members present.**
- B. Employ the Same Audit Firm as the City of Kingman to Complete Authority's Annual Audit. Tina Moline informed the members that the City of Kingman is changing its audit firm and inquired if the Authority would like to also employ the new audit firm. Chip Sherrill questioned the need for the change and the cost of the new firm. Mark Clark requested further information on the new firm to confirm the new firm has experience in water entities. **No action was taken by the board. Staff was directed to place the item on the June agenda for action.**
- C. Renew Contract with Lobbyist at the Same Rate as Last Year. Mark Clark informed the members the contract was not quite ready for renewal and the item was premature. Chip Sherrill inquired what the lobbyist does and what it costs. Jamie advised the lobbyist has been effective with legislation and is paid \$5,000 per month. **No action was taken by the board. Staff was directed to place the item on the June agenda for action.**
- D. Ratify the Renewal of Directors and Officers Liability Insurance-All Risks. Jamie Kelley explained this should have been a December 2018 item, but with the transition it was overlooked as the renewal notice was not received until January. The policy was renewed with the current insurance carrier and the premium has been paid. **A Motion to ratify the renewal of the D&O Liability Insurance was made by Chip Sherrill. Kelly Garry seconded the Motion. The Motion was passed by a unanimous vote of the members present.**

- E. Engage Liza Noland to update the Mohave County Water Authority's website. Jamie informed the members she would like to engage Liza Noland of LMN, LLC to update the MCWA website to make it more appealing and easier to post the agendas, minutes and other items. The website would include links to member agency websites. The cost of the updated website would be \$1,500 plus \$18 per month hosting fee. Jen Miles inquired about the possibility of including links to other websites. She was informed that we would add links to other entities. **Chip Sherrill made a Motion to engage Liza Noland of LMN, LLC to update the MCWA website. Jen Miles seconded the Motion. The Motion was passed by a unanimous vote of the members present.**
- F. Approve Logo Contest Rules and Prize Amount. Jamie Kelley advised the members she has legal concerns about the waiver of ownership rights to the artwork by minors. She suggested opening the contest to college students instead of high school students. Chip Sherrill and Jen Miles expressed concern about the quality of the submissions and the negative outfall if a logo was not selected. Audience member Gordon Groat expressed concerns about the quality of the logo as it was "branding" for the Authority. Audience member Cal Sheehy recommended the Authority obtain a professional logo. **No action was taken. Staff was directed to obtain quotes for professionals for the board to consider at its June meeting.**
- G. Adopt the 2019-2020 Budget. Tina Moline presented the 2019-2020 budget explaining the sources of income and the expenses within the categories which includes the 10% dues increase. **Chip Sherrill made a Motion to adopt the 2019-2020 budget as presented. Jen Miles seconded the Motion and the Motion passed by unanimous vote of the members present.**


VII. Updates and Discussion

- A. Legislative Update. Jamie Kelley addressed pending legislation when describing the efforts of the lobbyist.
- B. MSCP. No report.

- C. Recovery/CAWCD. No report.
 - D. Arizona Water Bank Report. No report.
 - E. Lake Mead and Lake Powell Levels. Mark indicated the levels at Lake Mead and Lake Powell have improved a little bit with all the rain. February was a good month for the snow pack.
 - F. Exploratory Fallowing Committee. Chip Sherrill advised the farmers were not interested in pursuing a fallow plan unless the compensation was \$250 an acre foot or above, and that farmers had concerns about locking into a price now before the need for water truly existed. Audience member Cal Sheehy addressed the need for City's to take action now to protect its citizens. Jamie advised this agenda item would be removed from future agendas.
 - G. Drought Contingency Plan. Jamie Kelley presented an update on the Drought Contingency Plan with information provided by Vineetha Kartha.
 - H. AZ DCP. See G.
 - I. Quartzsite/CAGRDL Lease: transfer/fallowing/moving water off the mainstream. Jamie Kelley advised the transfer did not move forward in the process and this item will be removed from future agendas.
 - J. Governor's Water Augmentation, Innovation and Conservation Council. The Governor has changed the name of the council. Jamie Kelley is now sitting on the council. There was nothing else to report.
 - K. ADWR Update and Discussion. Shannon Reif presented the Underground Storage, Savings and Replenishment Program, aka Recharge.
- VIII. Call to the Public. There was no public in attendance.
- IX. Next regular meeting of the MCWA will be Tuesday, June 11, 2019 in Lake Havasu City. There were no items suggested for that meeting other than those identified at VI(B), VI(C) and VI(F).

- X. Possible action to convene in Executive Session of the Board pursuant to A.R.S. §38-431-03.A.3 to obtain legal advice from the Authority's attorney on any matter listed on the agenda. There was no executive session.
- XI. Reconvene in Open Session. There was no executive session.
- XII. The meeting was adjourned at approximately 1:30 p.m.

Dated: 6-11-19


Secretary-Treasurer
MOHAVE COUNTY WATER AUTHORITY