



**UPPER VERDE RIVER WATERSHED PROTECTION COALITION  
WORKSHOP MEETING  
PRESCOTT, ARIZONA  
Wednesday, May 26, 2010**

**MINUTES**

A MEETING OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION WAS HELD ON MAY 26, 2010 in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

**Chairman Flannery called the meeting to order at 2:01 p.m.**

**Introductions, Awards, or Presentations**

**Members Present:**

Councilman Mike Flannery, Town of Prescott Valley, Chairman  
Supervisor Carol Springer, Yavapai County Board of Supervisors, Vice Chairman  
President Ernie Jones, Yavapai-Prescott Indian Tribe  
Councilwoman Mary Ann Suttles, City of Prescott

**Members Absent:**

Mayor Jim Bunker, Town of Chino Valley

**Staff Present:**

Ed Muccillo, Program Manager  
John Rasmussen, Yavapai County  
Lorri Carlson, Program Administrator

**Guests Present:**

Councilman Carl Tenney, Town of Chino Valley  
Mayor Marlin Kuykendall, City of Prescott  
Craig McConnell, Regional Programs Director, City of Prescott  
Melody Reifsnyder  
John Zambrano  
Bill Delonley  
Steve Owen  
Crystal Frost  
Candace McNulty  
Thomas Slaback  
Jabe Wills  
Howard Mechanic  
Gary Beverly

**ITEM NO 1. Introductions, Awards, or Presentations**

Ashley Fine and Dan Jannone, Third and Fourth Grade Teachers for Primavera School and Project WET Educator Grant Award Recipients introduced themselves



and their student. Ms. Fine said the students have been working on school gardening project. She said the used money given to them partially through the Upper Verde River Watershed Protection Coalition and they want to present their project to the Board. Ms. Fine thanked the Board for the opportunity. Please see Exhibit A attached hereto.

Mr. Jannone said in the fall of 2008 the Primavera School began establishing an edible school yard on a piece of unused campus space. He said the purpose for establishing the garden was to teach students various concepts relating to Science (life cycles and biology) Math (economics, data collection) and Social Studies (natural resources and sustainability).

Annie (Getting started spring 2009)

With the help of parents, teachers and student volunteers we worked to establish a garden plot. There were several community work days in which a fence was built, the soil was prepared, and seeds were planted. We also installed an 1100 gallon rainwater collection tank with grant money from the Upper Verde River Watershed Protection Coalition. Later in the spring, we planted warm weather vegetable starts which provided a huge amount of produce in late summer and fall.

Tacey (Widespread Support)

Primavera School is a small, private school with a lot of parental involvement. The director of Primavera School, the Board of Directors, and many families have been very supportive of this project, making the garden a big success.

Tacey (Reaping Rewards)

Throughout the summer and fall of 2009, we cultivated and harvested many flowers and vegetables. The preschool through 5<sup>th</sup> grade students at our school, often work together in the garden. When produce is available, we sell it after school at our own farmers market produce stand.

Eli (Primavera Farmers' Market)

Every Tuesday, during the fall, we sold vegetables from our garden to the school community. We counted and recorded money from the sales and kept track of garden-related expenses. The profits from the farmer's market sales were reinvested into garden projects. For example, we recently used the money to buy new seeds and tomato plants.

Eli (Ongoing data collection)

Our classes take part in ongoing data collection. We track and record the daily precipitation and temperature. We also estimate the number of gallons of water in rainwater tank daily. We use this data to talk about climate trends in our region and compare our local conditions to other areas.

Lexi (Water Education at Primavera)



In addition to the garden, there are many other things we learn about water at Primavera. For example, we do water quality monitoring, and our teachers spend an entire quarter teaching us about water and deserts.

Lexi (Water Quality Monitoring)

Students in grades 3 through 5 collect water quality data and record observations of Butte Creek at Stricklin Park twice each month. Primavera students have been stewards of this neighborhood park since 2005 when the water monitoring studies began. When we go water monitoring, we are like scientists analyzing the water of the creek and learning about the riparian habitat. By doing this, we start to understand the function and value that the waterways provide to our community.

Michael (Water Thematic Unit of Study)

Throughout the 4<sup>th</sup> grade, we study and explore the history and sources of water in Arizona and the world. In the fall, we take a 3-day field Trip to the Colorado River below the Glen Canyon Dam, where we camp at Lee's Ferry, explore the Glen Canyon Dam, and spend a day rafting on the Colorado River.

Madelline (Desert thematic unit of study)

When we study deserts we look at global climate patterns and relate them to our local environment. We also learn a lot about plant and animal adaptations for desert life and talk about how humans have adapted to desert living. When we study deserts, the third grade class takes a field trip to the Sonoran Desert Museum in Tucson. We also discuss the importance of water conservation and learn about various ways we can protect this precious resource.

Mr. Jannone (Continuing in 2010)

Recently received grant money will be used to purchase and install a pump for the rainwater cistern and create a more efficient watering system. *Elaborate and explain the new system!*

Ms. Fine (Success!)

While we have worked hard and experienced various challenges, our successes are many and this whole experience has been highly rewarding! The students have exhibited so much excitement about learning and gardening. They managed a successful weekly farmer's market with produce sales exceeding \$200. The garden also offers aesthetic benefits to our school campus. It has become quite an attraction, especially with the blooming fall sunflowers. Teaching through the garden has enriched our science, math and social studies curriculum (soil testing, insects, germination, and life cycles). She said they can talk about where water will percolate into the ground and where it won't because of the different types of rocks. She said when their first graders study insects they can go right out into the garden, find the bugs, see them pollinating the flowers. Ms. Fine said they also use the garden to teach about decomposition and life cycles and resource conservation. She said of course having the rainwater tank is a perfect segway to educating about water conservation. Ms. Fine said in their garden they actually have a little dry land plot where they teach the kids about how the native peoples grew their crops on



very little water. She said their goal for next year is to incorporate more nutrition education into their garden based curriculum. She said the best part of the whole project is just seeing the kids out there and when there is work to be done such as planting or weeding they get the older kids with the little preschoolers and it is really special. Ms. Fine said the garden has brought their whole learning community together in a really great way for deep and meaningful learning. She said thank you very much to the Board for their investment and for support financially for their project to continue.

[Applause]

Chairman Flannery thanked Ms. Fine, Mr. Jannone and the students and said that is a valuable project they have done. He asked for the student to come up and with their brightest smile and to give an introduction:

Michael  
Madelline Priola  
Zane Rossi  
Tacey Shuman  
Lexi Hammas  
Raina Duncan  
Annie Medosh  
Brian  
Zoe  
Megan Reed  
Mary Powers  
Karen Perkins  
Sydney Dicker  
Cheyenne Stricker  
Alexander  
Isabel Ohlich  
Mackenzie Roberts  
Mallorie Lopas

Chairman Flannery said they have done well and the Board appreciates it. He said he was very impressed with their presentation.

Vice Chairman Springer said she would like to suggest something a little out of the ordinary after that wonderful presentation. She said one of the things this organization is working on doing and they had just finished the process to prepare for it was to award a special designation to people and organizations that do special projects to conserve water. She said it is called the Water Smart award. Vice Chairman Springer proposed that their first Water Smart award be awarded to Primavera School for their water conservation education.

[Applause]

Ms. Fine said thank you very much. She said one of her students wrote that one of most important things they learned this year was how to save water.



Vice Chairman Springer asked if she has a copy of the presentation.

Ms. Fine said yes, it is on a disc and that was given to Lorri Carlson. She said it also includes the script.

Vice Chairman Springer said one of the things they will do is to send out a press release notifying the public about all of the good work that is being done.

**Vice Chairman Springer moved that the first Water Smart award be awarded to Primavera School for their water conservation education; second by Member Suttles; MOTION PASSED UNANIMOUSLY.**

Chairman Flannery said the next item of Introductions, Awards, or Presentations is the recognition of the Safe Yield Workgroup members for their valuable dedication and work.

Mr. Muccillo after almost two years of work on the Safe Yield Report that will be discussed later today they want to recognize the official members of that committee.

Mr. Muccillo introduced Howard Mechanic, Gary Beverly, and Jabe Wills. He said in addition they also have awards for Dirk Stringham, Charlie Hildebrant and Steve Conrad.

Chairman Flannery asked the members to come on up so that each of the Board members could shake their hands.

Mr. Muccillo said that is all for Item 1.

Chairman Flannery asked that the remaining plaques arrive at their destination.

**ITEM NO 2. Call to Public**

Nothing from the public at this time.

**ITEM NO 3. Approval of Board Meeting Minutes – March 24, 2010**

**Member Suttles moved to approve the minutes of the March 24, 2010 Board Meeting; second by Vice Chairman Springer. MOTION PASSED UNANIMOUSLY.**

**ITEM NO 4. TAC Meeting Summary – March 18, 2010**

Mr. Ed Muccillo said the TAC summary is on pages 20 – 21 of the agenda packet and each of the topics discussed at the last TAC meeting are included in this agenda.

Chairman Flannery asked why this agenda item is even included.



Mr. Muccillo said it can be taken off because at this point this is often the case. He said the reason that came about is this is the way to officially publish a summary and minutes of the TAC meeting here.

Chairman Flannery said if he thinks it still merits we can continue.

Mr. Muccillo said it probably keeps it official.

**ITEM NO 5. Safe Yield Report**

Mr. Muccillo said basically they talked last time that because the Board received the report only one day before the meeting they would have a discussion at this meeting following some time to digest and gather thoughts about the report. He said he read the Executive Summary of the report at the last meeting.

Member Suttles said she was given some information earlier that the City of Prescott's assured water supply application still has some hurdles to go through and they are continuing to work on a long range water management policy. She said that includes the Big Chino water as a resource and that addresses the City's obligation to contribute to reaching safe yield in the Prescott AMA. She said since this report has really only been out one month it needs to go through Council and those water areas so at this time she would like to hold this until July at which time she can come back from Council with more information on it. Member Suttles said the Safe Yield Report will be put out through the City Manager, Craig McConnell, and the City Council.

Vice Chairman Springer said she thinks first of all in terms of putting together of the report has been done in a fairly concise way. She said it is very well done and they have a lot of information compacted, which is always a good way to present any sort of report in her opinion. She said she thinks that basically the committee came up with some good alternatives. Vice Chairman Springer said she agrees with Member Suttles that at this point in time it is premature to try to arrive at any sort of a conclusion. She said some of these recommendations involve some pretty difficult decisions because they create a mandatory situation of membership or require legislation and that type of thing. She said as a Coalition they are only representatives of their individual councils and board. Vice Chairman Springer said they do not make decisions of this nature independent from those bodies. She said each of them have to go back and present this information at their entities. She said she doesn't know where they go from here other than perhaps to get input from each of the member entities.

Member Suttles said she has gone over it, the Mayor and Craig McConnell have both gone over it. She said since this work has been done on this they want to keep this up front constantly and it should not go out on a shelf. She said they have worked toward this and with some input from the different entities she thinks they can come around to something. She said they have it in front of them and she feels that with the help of the Mayor and Mr. McConnell they will get into this along with



their Council. Member Suttles said she can give a date as to when but it is going to be within the window they can work in.

Vice Chairman Springer said one of the alternatives is to do exactly what they are doing. She said in other words they do not have to choose something else to still be in a sense accepting the report and working within the guidelines of the report. She said she sees nothing wrong with continuing doing what they are doing until such time as they may choose to again come back with different recommendation.

Chairman Flannery said one of the things he gleaned out of this is he felt some degree of comfort in that the things the Coalition are currently engaged in were mentioned in this as being positive. He said the one thing that was of concern was the potential of not being adequately funded and he thinks that is something they all recognize anyway. He said he was pleased to see that those things were pointed out in the report. He said one of the difficulties he sees is they have the option of current Coalition, enhanced Coalition, replenishment district, and water authority. Chairman Flannery said of those two of them are going to require some type of legislative authority to advance. He said that is going to require them doing a long protracted legislative effort in order to get that accomplished. He said both of those would require a district wide voting approval. Vice Chairman Flannery said he thinks this is a time to step back and bring in the full entity involvement.

Mr. John Zambrano, 2910 West Crestview Drive, said he is a little bit disappointed in what is taking place here. He said he has been out for two months and he thought that today at the May meeting there would be a discussion of what is a relatively simple report that presents four alternatives but really it comes down to recommending one. He said he thought they would be debating the pros and cons of a replenishment district and then next month actually having their organizations vote on this as whether to go forward with the recommendations in the report or to do something else. Mr. Zambrano said he thought he would see a discussion here and not just they are going to hand it to some other people after two months has gone by.

Vice Chairman Springer said she does not think they are in any position to make that kind of a decision.

Mr. Zambrano said, no not a decision but a discussion as to what their feelings are, whether they think it would work, what are the drawbacks to a replenishment district, what are the advantages. He said a discussion like that would be beneficial for their organizations to eventually listen to and then make an intelligent vote.

Chairman Flannery said he thinks he hinted at some of them right there by saying that two of them and one of those is the recommendation is going to require legislative authority and then if approved a vote within that established district. He said those are two pretty big hurdles right there.



Mr. Zambrano said so they are basically saying the recommendation in the report is not that viable.

Chairman Flannery said he did not say that only that they are big hurdles. He said Mr. Zambrano just said that he thought he would be getting some feedback from the Board and he just gave it to him.

Mr. Zambrano said he would love to hear from the others as well.

Member Suttles said for the City of Prescott she represents the group and she cannot come out until she gets some direction from the Council. She said again, they have got to read this report. She said they will have it. She said as she mentioned the Mayor has gone over it, Craig McConnell has gone over it, and she has read it so they have three from the City that are currently discussing it. Member Suttles said there is no way she can get into this without support from the Council she represents.

Mr. Zambrano said he understands that but it just seems that two months have gone by.

Vice Chairman Springer said she will give her personal reaction and as she has expressed before she is totally opposed to a water authority. She said she thinks it is a bad idea simply because it would require all of the members to in a sense concede some of their authority with regard to water issues. She said she does not think that is viable, feasible and she does not think any of the entities would accept any concession with regard to their powers over their particular water.

Mr. Zambrano said he thinks the committee agreed with her on that.

Vice Chairman Springer said she appreciates that the committee came to somewhat the same conclusion and that it is not very viable. She said a replenishment district again it creates a separate, new body. She said a question that was not answered for her with regard to the replenishment district was that she assumed they were talking about a governing board that would require an election of members of the public. She said they did not specify who they thought should be on that governing board. She said again, although they would not have any particular authority over the individual members' water issues they still would have some taxing power as she understands it. Vice Chairman Springer said they would be able to create projects and go out and bond to do them. She said she has somewhat of a problem with potential conflicts between that kind of an organization set up independently of the elected officials' areas because of the overlap the jurisdiction of one or more members of the board. She said she sees some inherent conflicts.

Mr. Zambrano asked if she sees any way around that, a way to resolve that as she can see.



Vice Chairman Springer said she does not know and again this is their first pass at this. She said she sees some issues with that proposal. She said basically it seemed as though the feeling that the Coalition is not adequate as it is currently constructed is in their lack of ability to fund projects for example is not any different from any of the other proposals. She said all of them are going to be one way or another funded with taxpayer money. Vice Chairman Springer said all of them one way or another are going to be funded with taxpayer money. She said it's the same taxpayers in the same jurisdiction that are going to have to pay it no matter what entity it flows through or to. She said no matter what entity the end up choosing to deal with they all have the same problem, particularly at this point in time, and that is simply they feel their taxpayers are taxed out at the moment. She said new source of funding for particular projects she does not think is in the cards anytime soon.

Mr. Zambrano said he attended most of the meetings but was not part of the workgroup itself.

Chairman Flannery said not being part of the workgroup he does not need to direct his question to Mr. Zambrano but perhaps to one of the members. He said his question is in envisioning this replenishment district the workgroup has established things that the district can do and those things it would be restricted from doing. He said to him what they cannot do is sell retail potable water, require well measuring devices, require mandatory conservation, regulate water uses, regulate land division. He said without that how they go forward with bonding if their only source of repayment of the debt service is through the taxation of property.

Mr. Howard Mechanic said he does not think the report says that the only funding mechanism would be property tax. He said as a matter of fact he does not think the report suggested a specific...

Chairman Flannery said he is implying that.

Mr. Mechanic said he thinks there other alternatives to fund this but the point is do they have decide ahead of time which of those funding mechanisms have to be considered or are they going to ask the TAC to look into that and come back. He said a couple of things that were not mentioned today, because there was no presentation whatsoever and he thought there would be a presentation of at least the basics, but there are a couple of things that should be mentioned because some people may not have been here two months ago. He said the names of the committee were read off and the people on the committee are also representatives of the jurisdictions, which means Mr. Holt attended the meetings while he represented the City of Prescott, Mr. Munderloh attended all of the meetings and represented the Town of Prescott Valley, Mr. Holmes attended the meetings, and Mr. Rasmussen attended the meetings. Mr. Mechanic said the committee included the TAC plus additional members and that all of the jurisdictions had representatives.



Mr. Mechanic said the other thing he wanted to address is yes, it will be difficult as Supervisor Springer said that it is a difficult path involving the legislature. He said there is no way to reach safe yield without it being difficult – he just does not see it. He said to say that something is difficult and as Mr. Chairman said it is long effort to go through the legislature, he agrees and it will probably take a couple of years. He said they need to start at some particular time. Mr. Mechanic said the committee considered that point and he personally spent quite a bit of time on that committee trying to find an alternative from going to the legislature because he does not think that is an easy way to go. He said after over a year of meeting he did not see an alternative.

Mr. Mechanic said it was brought up by Supervisor Springer that the existing organization here or something similar could do this, could have a replenishment district. He said he does not have a problem if there is some way to require all the jurisdictions to sign on board and commit to participate over the next 15 years. He said this was discussed extensively. He said if they start a project and then five years later one of the jurisdictions says we are not interested anymore then where does that leave everybody else who put in their money for the first five years. He said it needs to be a structure that can be counted on over a long period of time and that one part cannot just walk out. Mr. Mechanic said that was something kept coming back over and over again. He said he thinks people would prefer to have something without involving the legislature, without involving a replenishment district. He said if they can run a replenishment district here that would be great but if there are no ironclad commitments... He said Mr. Tarkowski came to one of the meetings and he said there is no way to bind any city to a contract saying they are going to pay 15% of all undetermined costs for the next 20 years for safe yield. He said a future council cannot be bound to that kind of commitment. He said they can only bind a city for two years. Mr. Mechanic said the committee considered these things. He said he differs from Mr. Zambrano a little bit in that he did not expect a huge discussion here today because the Board is not making the decision rather their jurisdictions have to make the decisions. He said they have to go back to their councils and board and decide if everybody is on Board. Mr. Mechanic said what he would like to see that happen and to be done in a specific amount of time. He said July is a reasonable time and the presentations will have to be made to each jurisdiction. He said there would need to be somebody coming to each jurisdiction and discussing these issues and the councils will have to consider it and vote if they are going to support it. He said this will not pass the legislature if there is division and it will not pass this Coalition if there is division.

Chairman Flannery said first he wanted to address the issue of it being a lengthy process. He said he did not bring that up as a means of postponing rather he meant it is as a means of there is no need for the Board to rush into something. He said they have a process that they need to follow, which was outlined already and then need to go back to their jurisdictions and get approval. He said he recognizes the fact it is going to be a length process so he does not have any problems if that is the direction they go. Chairman Flannery said he did not mean 'therefore, let's not do it.'



Mr. Mechanic asked if the Chairman feels they should ask the jurisdictions to deal with it before July. He said he does not know what new information they need to gather and at least they can get initial presentations to each council and at least put it on their agendas before July and then have it on the Board agenda in July. He said everyone can come back then and say we support this or we don't support it or we have a problem with it or something like that.

Vice Chairman Springer said when they formed this committee the name of the committee was the Safe Yield Committee [Workgroup]. She said the Board gave the committee no instructions as to what conclusions they should come to or how they should make their decision. She said they had quite a bit time to discuss, a couple of years she thinks. She said that through this whole process it occurred to her that they could have gone a couple of different directions because they had an open slate. Vice Chairman Springer said they could have gone with what she would call a practical approach, which would be to come up with projects that they thought would actually achieve Safe Yield, specific things that the Coalition could attempt to take on as projects. She said the other approach is a political path and they chose the political path in her view. She the committee chose not to address the practical aspects of safe yield but rather a political structure in order to achieve it. Vice Chairman Springer said in effect they have come up with nothing in terms of how to actually achieve safe yield. She said they have come up with a way to create another structure that then has to come up with the ideas themselves on how to achieve safe yield. She said he is trying to push the Board in a direction the committee has chosen as the direction they would like the Board to go. Vice Chairman Springer said she is not so willing to go there. She said obviously from his remarks he does not have a lot of faith over the long haul in elected officials' ability to make a commitment to the issue of safe yield and she thinks that statement in itself is wrong. She said she thinks all of them are committed to the idea of achieving a sustainable safe yield and preserving the base flow of the upper Verde River. She said if, they would not be spending their time working on those issues. Vice Chairman Springer said she is heading in a little different direction and that she does have faith in elected officials, in the ones now and in the ones to come in the future, that they will want to achieve that same goal. She is not so inclined to jump off right now and say she is anxious to go out and create another political entity of any kind.

Mr. Mechanic said he is not interested in creating a lot of entities either but that was the only way to get it done. He said nobody on the committee objected to any of the recommendations and he wanted to make that clear. He said everybody on the committee supported these specific recommendations.

Vice Chairman Springer said just a minute and she cannot let him go unchallenged because they usually end up trying to vie to see who has the last word. She said she does not think it is appropriate for him to speak for every member of that committee. She said perhaps they allowed it to go through but she does not think he should arbitrarily say that he speaks for every member of the committee.



Mr. Mechanic said he is not speaking for every member of the committee but he was at every meeting and when the recommendation was made for this report to be approved with its two specific recommendations. He said the first recommendation is that the Coalition engage in an education campaign to educate the public about safe yield and the cost to the public about not reaching safe yield. He said the second recommendation was to have the TAC look into the steps needed to develop water replenishment district. He said there was no objection by anybody so he is not representing anybody's opinion. He said there was no objection by anyone to these two recommendations.

Mr. Mechanic said as far as Supervisor Springer's statement that they did not deal with specific projects then look at Section II of the Report titled, Methods to Achieve Safe Yield, in which they did spend a considerable amount of time on, there are three basic methods to achieve safe yield. He said one is water conservation, another is increasing groundwater recharge, and the other is importing additional water supplies. Mr. Mechanic said there are tactical means to reach safe yield by conservation, importation, and recharge. He said they could come back to the Coalition and say they need to generate 11,000 afy, go out any build a project to import 11,000afy. He said that does not serve any purpose because there needs to be an entity to run the project, to fund the project. He said that is the hard part and the technical part about can they reach safe yield and do they have the means to is yes. Mr. Mechanic said there some people that came into the committee with a lot of energy and said let's develop recharge projects, let's do this, let's do that. He said the committee discussed it and they are on the table – importation, recharge, and conservation and they can do that. He said they need a structure to do that and when Supervisor Springer said he does not have faith with elected officials and that is not anything that he said. He said President Reagan said "Trust but verify." Mr. Mechanic said they need to trust their elected officials but if they are going to set up a program to reach safe yield they need something that is verifiable, that is going to have some longevity 'I'm out' and that needs to be considered.

Mr. Mechanic said as far as Supervisor Springer's question about a governing board that also was not discussed here. He said the TAC needs to develop that idea and what they are going to come back with. He said his conception of a governing board would be an elected board. He said someone correct him if he is wrong but his understanding is that they would be elected officials elected by the public as a board. He said it can be done other ways because there are other ways to have governing boards of replenishment districts. Mr. Mechanic said in reference the statement 'people are maxed out' he agrees and there is no question about that although the electorate did just approve a tax after people said they were taxed out. He said if they want to reach safe yield they are going to need money. He said they are not going to be asking for a public vote for funding in the next year or two because it will take a year or two to get this through the legislature. He said a public vote would be after that and hopefully there would be public acceptance that it will cost more in the long run if they do not reach safe yield. Mr. Mechanic said that is something that is covered in the report. He said it will cost hundreds of millions of



dollars if they do not reach safe yield. He said that is one of the recommendations, which is to try to get the message out to the public so they will not feel taxed out, so they will feel this is a worthwhile investment and it lead in savings and a better environment for their grandkids. Mr. Mechanic said that is how he wanted to present his position and hopefully other people's position. He said his question is do they want to have all the jurisdictions discuss this and he thinks they ought to go ahead and do that. He said there are two recommendations specifically instead of saying jurisdictions go back and discuss the report – they need to discuss the recommendations.

Mr. Gary Beverly said they really have two goals here; one is safe yield in the Prescott AMA and the other goal is to protect the upper Verde River. He said the goals are related and it is really important to recognize that achieving safe yield cannot in any way compromise the base flow of the Verde River. He said those two goals have to be simultaneous.

Mr. Beverly said this is a very difficult task. He said a famous ecologist, Garrett Hardin, came up with a little story that had an important principle of ecology. He said imagine you have ten families in a little village and they are all herders and they are grazing their cattle on this pasture that is in the commons of the village. He said each family has two cows, life is good. He said one of the farmers thinks gee, 'if I got ten cows I could get a lot more milk and meat' so he gets 10 cows. He said somebody else sees that and they say they want to get 100. Mr. Beverly said imagine what happens to the pasture and this is called the Tragedy of the Commons because individual gain is not related to the cost. He said the person with the most cows gets the most gain but the whole village shares the cost. He said the burdens and the benefits are not equitable.

Mr. Beverly said that is what they are looking at here and that is why they suggested this district. He said the political subdivisions that overlie their aquifer – there are many of them. He asked what the advantage is for one district in a situation like this. He said no one is implying any bad motives to politicians here rather this is just the system dynamics and the way things work. Mr. Beverly said the district is a really important concept and it is necessary to take united action to protect on the aquifer. He said they cannot rely on independent political subdivisions to act in concert when actually the system directs them to do their own things. He said these districts take many, many forms. Mr. Beverly said the district can be custom designed to meet their needs. He said Mark Holmes had a presentation he gave to the Board and it is on the website. He said there are a ton of different districts all with different purposes, different goals, different means of accomplishing those goals obviously all set up to meet their local needs. Mr. Beverly said they have suggested a replenishment district and that it is very fuzzy; it is not specified intentionally because the entities need to make a local decision and regain local control. He said this district allows them local control. He said now they have no control rather it is ADWR. He said this is a means for the cities, the entities to gain control. Mr. Beverly said he would urge the Board to think about this and he



understands Supervisor Springer's concerns of additional government layers and taxes completely but he thinks the job requires this.

Member Suttles said with all that has been said and the review she is going to go back to Mayor, Council and City Manager and try to set up a workshop on a Tuesday with their Council to have a presentation of this report. She said that will be before the Coalition Board's next meeting to try to get them a feel of what Prescott thinks of the report. She it is a start and they need to know where they are going with and she will be the first one to put her foot in the water. She said she is going to make sure her Prescott Council gets this report, there will be a presentation, and she will bring that feedback to the Coalition.

Chairman Flannery asked if she is making that some sort of a motion.

Member Suttles said yes, if that is what they want.

Vice Chairman Springer said she does not think that needs a motion.

Member Suttles said she is volunteering.

Chairman Flannery said they will go ahead and refer it back to entities with a deadline.

Vice Chairman Springer said she does not think they need a deadline and she does not think they need anything.

Member Suttles said she does not think they need a deadline either and it is just what they have to do with their own councils and board.

Chairman Flannery said he dare not do that with his own because they are dealing with budgets and he cannot speak to for what their agenda looks like for the next month and a half.

Vice Chairman Springer said she is not going to make any commitment because they are in budget.

Member Suttles said Prescott is too but she is going to put out that olive branch.

Chairman Flannery said he will make every attempt to.

Councilman Carl Tenney, Town of Chino Valley, suggested that the councils get the reports soon and that would be one commitment they could do. He said they have not received that yet in Chino Valley so they would not be in position to make any recommendation early on.



**ITEM NO 6. Water Smart Application**

Mr. Muccillo said Water Smart Application is on the website. He said prior to this meeting they have not had any applications but after today's meeting they have their first applicant.

Vice Chairman Springer said they had not discussed in any detail the process for selection.

Mr. Muccillo said the TAC would make the first review and then they would make a recommendation or not recommend to the Board.

**ITEM NO 7. Monitoring Wells Data Gathering**

Mr. Muccillo said they spent quite a bit of time at the last TAC meeting talking about this and unfortunately he is going to have to ask for some patience. He said the biggest road block they are running into is ADWR. He said it really difficult to get somebody on the phone that is willing to talk because they are really afraid to make a commitment. He said the earliest they would know what they are going to do with their well monitoring programs going forward is about three to four months.

**ITEM NO 8. FY 2011 Coalition Member Dues & Budget**

Mr. Muccillo said the first attachment following page 21 of the agenda is the budget. He said since they have gone to meeting every other month it was kind of decided to bring the budget status up to date at each meeting. He said the main topic for him is that since it is May and they will not have a meeting in July what is the status of each entity as far as member contributions/dues for Fiscal year 2011. He said unfortunately Mayor Bunker could not be here and the main subject on the table is the Town of Chino Valley's deferment from last year. Mr. Muccillo said the intent was for them to defer those dues for one year and then for the next three years pay a full year's dues plus a third so that in three cycles from now they would be caught up.

Chairman Flannery said he is going to have a meeting with Mayor Bunker and the Town Manager next week regarding dues for another organization so he will talk to them about the Coalition as well.

Member Suttles said they have those dues included in the City of Prescott budget which they talked about just this week.

Vice Chairman Springer asked if he said he did not include Chino Valley in the project revenue.

Mr. Muccillo said that is correct. He said in the Coalition Member Contributions under Revenues he projected worst case scenario. He said they will be billed.

**ITEM NO 9. Recharge & Source Water Pilot Projects Study Update**

Mr. Muccillo said in the past they have now received favorable interest from APS in assisting in the water project.



#### **ITEM NO 10. Grants Update**

Ms. Melody Reifsnnyder said the resolutions are in the packets and a motion will be needed to approve prior to sending them to Bureau of Reclamation. She said both of the applications are for the two BOR applications that approved in the original Funding Plan. She said the first one is for \$300,000 to construct the recharge projects at Old Home Manor and at Viewpoint/Pronghorn. Ms. Reifsnnyder said one resolution is for the application they just submitted and the other is for application due on June 14<sup>th</sup> for the System Optimization Review.

Vice Chairman Springer asked what the System Optimization Review is.

Ms. Reifsnnyder said that is the current BOR application and they are trying to be as broad as possible with this one. She said this grant money would assist the Coalition in knowing more about the area's water systems.

Mr. Jerry Brady said he would like to commend everyone for participating in this process and it is exactly what is specified by the Arizona General Plan and the Water & Hydroelectric Power Development Plan. He said the coalition has completed about 90% of the critical elements at this point. He said there is only one additional element and it is a 10% threshold, which is critical. Mr. Brady said he would like to point out that the Arizona Supreme Court has ruled that the procedure must conform to the Paliport (sp) and Cline decisions for the United States Supreme Court. He said Paliport and Cline has specifically to do with conveyance of water assets in Yavapai County that was owned by the U.S. War Department in conveyance to the General Lands Office for reconveyance to the State of Arizona. Mr. Brady said Lieutenant Colonel Theodore Roosevelt participated in the first adjudication; then as President of the United States he hired Gifford Pinchot to supervise the conveyance of those water resources to this county and to the cities.

Chairman Flannery asked if this has to do with the agenda item.

Mr. Brady said yes sir it does. He said it specifies the procedure whereby you get funds for that purpose and other related issues. He said it is very simple really. He said you can submit a petition, either to the appropriate congressional oversight committee or to the United State Supreme Court for an opinion on the proper procedure. Mr. Brady said the funds are already appropriated and the water resources are already there. He said any person can initiate the process and by definition person includes individual, commercial corporation, or any governmental entity. He said the cost is extremely low and it will save a lot of trouble in the long run if you initiate that procedure at the first rather than at the tail end. He thanked the Board.

**Vice Chairman Springer moved to approve the two resolutions authorizing the grant applications to Bureau of Reclamation; second by Member Suttles; MOTION PASSED UNANIMOUSLY.**



**ITEM NO 11. Next Meeting / Location / Agenda Items**

Mr. Muccillo said on page 5 of 21 the next Board and TAC meetings are indicated. He said the next Board meeting will be next Wednesday July 28, 2010 at 2:00 p.m. in this location. He said they also have some potential topics plus what has been covered today. He said the next TAC meeting will be June 9, 2010 at 1:00 p.m. in the Gladys Gardner Room in the Yavapai County Administration Building.

Chairman Flannery said it seems to him there are a series of things that are being placed on the agenda more or less as place holders and they really don't have things to discuss on them. He asked if they can scrutinize what goes on that agenda.

Mr. Muccillo said sure and we will do that.

Chairman Flannery said he sometimes wonders if they need the meeting or not.

Mr. Muccillo said that was the goal behind moving them to every other month. He said they had kicked around making them quarterly and they can even talk about that.

Chairman Flannery said he knows. He asked about the TAC meeting and what agenda items they have that one.

Mr. Muccillo said it would be the Water Smart applicants including the Project WET presentation, monitoring wells, recharge and the grants.

Mr. Zambrano said he wanted to make sure as to whether the Safe Yield Report will be on agenda for the next meeting.

Chairman Flannery said he talked about TAC and see if things are done by then and then they will move it forward. He said it is undecided at this time.

Mr. Zambrano said even though Councilwoman Suttles thought she would talk to her organization and then come back to discuss it.

Chairman Flannery said she felt comfortable that she could get it on by then. He said he does not know about his and she does not know about hers so it's vague.

Mr. Zambrano said it sounds that way.



**ITEM NO 12. Adjourn Meeting**

Meeting adjourned at 3:21 p.m.

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COUNCILMAN MIKE FLANNERY, Chairman

ATTEST:

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LORRI CARLSON, Administrative Assistant

DRAFT