

**UPPER VERDE RIVER WATERSHED PROTECTION COALITION
PRESCOTT, ARIZONA
NOVEMBER 28, 2007**

MINUTES

A MEETING OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION WAS HELD ON NOVEMBER 28, 2007 in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

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

ITEM NO 1. Introductions, Awards, or Presentations

Members present:

Mayor Karen Fann, Town of Chino Valley, Chairman
Councilman Mike Flannery, Town of Prescott Valley, Vice Chairman
County Supervisor Tom Thurman, Yavapai County (for Carol Springer)
Mayor Jack D. Wilson, City of Prescott

Staff present:

John Munderloh, Town of Prescott Valley
Chris Moss, Yavapai Prescott Indian Tribe
John Rasmussen, Yavapai County Water Advisory Committee
Ed Muccillo, Program Manager

Guests present:

Councilwoman Mary Ann Suttles, Prescott City Council
Councilman Bob Bell, Prescott City Council
Councilman Bob Luzius, Prescott City Council
Councilman Jim Lamerson, Prescott City Council
Rick Shroads
Ashley Fine
Linda Campbell
Candace McNulty
Thomas Slaback
Chris Moss
John Zambrano
Joanne Oellers
Lauren Millette

Chairman Fann welcomed Mr. Wilson to the Board.

ITEM NO 2. Call to the Public

None

ITEM NO 3. Approval of Minutes – October 24, 2007 Meeting

VICE CHAIRMAN FLANNERY MOVED TO APPROVE THE MINUTES OF THE OCTOBER 24, 2007 MEETING; SECONDED BY MEMBER THURMAN; PASSED UNANIMOUSLY.

ITEM NO 4. Review of TAC (Technical Advisory Committee) Appointees

Mr. Muccillo said that this is on the agenda today just to review who has been appointed to the TAC:

John Munderloh, Prescott Valley
Jim Holt, Prescott
Mark Holmes, Chino Valley
Chris Moss, Prescott Yavapai Indian Tribe
Dewey-Humboldt Acting Town Manager

Discussion was held on the County's position with an appointment. Mr. Rasmussen said that they have not had any follow-up conversation since it was stated that as the Coordinator for the Water Advisory Committee there may be some issues in terms of his employment. Supervisor Springer elected not to appoint him at that time. Supervisor Thurman asked who it would be if it wasn't Mr. Rasmussen.

Mr. Rasmussen said that at this point he has continued to behave as staff even though he is not on the TAC. That may be a conversation for the County to have.

Supervisor Thurman asked Mr. Rasmussen to get that on the agenda for action at the County level. Chairman Fann said that it was also her understanding that the County has not yet had the opportunity to discuss the proposed changes to the Mission Statement regarding safe yield, and perhaps that could be placed on their agenda as well. Supervisor Thurman asked Mr. Rasmussen to get both items on the agenda.

Vice Chairman Flannery said that the issue was that Mr. Rasmussen is employed by the Water Advisory Committee and Supervisor Springer characterized it as inappropriate, and he asked if Mr. Rasmussen needs to also take that to the Water Advisory Committee for approval. Supervisor Thurman said that would be a good idea.

Mr. Rasmussen said that he is a County employee, hired by the Board of Supervisors. He said that John Munderloh had made a statement that made sense to him, that it was like being employed by the County and the Water Advisory Committee is his client.

Member Wilson said that it is basically an ethical question and if he gets permission from the Water Advisory Committee he should be fine. Supervisor Thurman agreed to that.

After further discussion it was agreed that it should go before the Water Advisory Committee first and then before the Board of Supervisors; Member Wilson agreed with that.

John Zambrano said that he was at a meeting where he believed they had voted on the amended Mission Statement. Mr. Rasmussen said that he believed that it was voted on as well. He will get a copy of the minutes for review.

Chairman Fann clarified for the next meeting they would need very specific items: 1) dealing with TAC representation from the County and Dewey-Humboldt and 2) modifying the Mission Statement to include safe yield.

Mr. Munderloh reported that based on a conversation he had with the Town Manager in Dewey-Humboldt, they agreed to the safe yield addition and would be putting the Town Manager on the TAC.

Supervisor Thurman said that he would disagree with that decision because they could hire someone from New Jersey that didn't know anything about the water situation, but that is not his decision to make.

Mr. Moss said that the Board of Directors of the Yavapai Prescott Indian Tribe approved the safe yield amendment to the IGA and approved the contract as well.

Supervisor Thurman said that he would like to see the resolution where the Board of Supervisors did that.

ITEM NO 5. Review Potential Tasks/Projects for discussion at December TAC Meeting/Workshop

Mr. Muccillo said that this was meant to be a review in preparation for the first two TAC meetings. In his charge as Program Manager, there were six projects that originated from the Board and then they added Funding Research as the seventh on the left side of Attachment 1. In combing different minutes for different ideas that had been mentioned, they added the items on the right side of the handout.

He said that the purpose is to review those items and make sure there are no glaring omissions in the list to be considered. They are planning for the December TAC meeting to get a priority list based on the menu and create scopes of work. Since there is no December Coalition meeting, that will give them time for the team to get some numbers together and they will bring those back in January.

Chairman Fann asked for input from the Coalition. Member Wilson said that he had a comment regarding “Special Water Districts” on the public side of the handout. He would like to see the topic modified to say “Special Water Districts Education.” He believed that he was the one to bring that up and his intention was to get people educated in what Section 48 Districts are under Arizona Revised Statutes so they had a basis for understanding. Vice Chairman Flannery agreed.

Vice Chairman Flannery asked if they had not already gone through the exercise of prioritizing the projects. Mr. Muccillo said that they did, and that would be a starting point, but he did not know that they had hard and fast schedules, details and dollars attached.

Chairman Fann said that she is relying on the TAC because they are familiar with other projects going on within each municipality. She said that she is looking at short-term / long-term issues to decide on what they can do right away and others that will take more time. An example would be conservation or monitoring—those are things already in their budgets and they can be working on them.

Mr. Muccillo said that if there is something that isn't a No. 1 Priority, but is coming in the future, they need to know about it now so they can be doing grant applications or funding applications.

Mr. Mechanic said that since the Coalition is accepting safe yield as part of their mission and it is not listed as a project, he asked how it fits in the list. Chairman Fann said that she assumed that the safe yield is part of the natural/artificial recharge. Mr. Muccillo said that they did discuss that. His understanding is that as they are amending the purpose statement, safe yield and protecting the base flow are somewhat underlying everything that they do and these tasks support achieving those.

Vice Chairman Flannery said that he would think that it is underlying all of it, even on the public side of the chart.

Mr. Mechanic said that his understanding is that the items on the chart are dealing with the Big Chino and safe yield is dealing with the AMA. Some of

the issues will cross and correspond, but they need a plan to reach safe yield and he thought that was what the group was going to do.

Member Wilson said that his take on safe yield is that it is a goal and once they have an overall goal, they figure out how to achieve the goal. Some of these projects fit that goal; some of them don't. Looking at Special Water Districts, it would directly address that goal.

Vice Chairman Flannery said that even though the Big Chino Hydrologic Monitoring Network may pertain to the Big Chino, the plans are for extracting water from there, so they will have to monitor that.

Mr. Mechanic said that all of the jurisdictions on the Coalition were on the Safe Yield Subcommittee that came up with a report. The first thing the report suggested was that they divide up the safe yield groundwater in the AMA. There is nothing in the projects to do that. Once they do that, then each individual jurisdiction can decide what they can pump, and how they can deal with reducing their pumping. The Coalition needs to decide what the safe yield groundwater amount is available on an annual basis in the AMA and then divide it up.

Mr. Mechanic said that they each need to know how much they can pump, and then they will know what their overdraft is. The whole AMA has a certain amount, he is guessing around 8,000 to 10,000 ac. ft. a year, and if they want to keep 3,000 ac. ft. going to the Upper Verde, which is their contribution historically, that leaves approximately 5,000 to 7,000 ac. ft. that can be used by the AMA on an annual basis. They need to divide that number among the different jurisdictions.

Member Wilson said that he thinks that they could question whether it is the Coalition or the Prescott AMA because the Prescott AMA is going to work on the fourth management plan. Mr. Mechanic said that he talked with Gerri Wildeman and she said that they would not be dividing up the safe yield groundwater, so the Coalition is the only group that is going to do that. They are dealing with how the AMA is going to reach safe yield, and they are not going to pick different parties and divide up the AMA and their shares. He asked the Coalition members if they would rather do that or have Mr. Guenther do it.

Chairman Fann suggested that they add safe yield as an item listed on the chart, and as they are working on this at the next two TAC meetings, those members can figure out how each of these projects affect safe yield and determine if there is anything else relating to safe yield that needs to be addressed.

Member Thurman said that it is in the Mission Statement so it is redundant. Even though it may be redundant, he doesn't have a problem with it being on there.

Member Wilson said that they could look at each one of the projects and look at the impact on safe yield of each of them.

Mr. Mechanic said that he was led to believe a couple of months ago that they were going to set up some subcommittees with different membership, and he thought one was going to be a safe yield subcommittee.

Chairman Fann said that he is on the right track. There were going to be certain committees set up and it was going to be up to the TAC to determine which subcommittee would work on which topic.

Mr. Muccillo said that one approach would be for the TAC, in both meetings, to review the Safe Yield report again. Mr. Mechanic said that he thinks that would be reasonable and determine what the next step is.

Ms. Oellers, Center for Biological Diversity, said that Member Wilson had brought up the idea of education on Special Water Districts before actually making a decision on prioritizing. She said that since Conservation Easements have been presented, and Dan Campbell gave a good presentation on that, she asked that the Habitat Conservation Plan idea also be put into the realm of education before it is put into the prioritization list, presuming that they don't all understand what goes into those types of plans.

Chairman Flannery said that it would appear that another category is needed for education and then all of these items would be subs of that. Member Wilson concurred with that. Member Thurman agreed as well.

Member Wilson said that he is trying to get qualified people to talk about water districts that are neutral parties without an agenda.

Vice Chairman Flannery clarified that by suggesting a category for education with subcategories for the individual items, he did not mean for them to be removed from the list. Member Thurman said that he is hearing that the TAC should tackle this to determine which items would be helpful to have under the education heading. Mr. Muccillo said that there is a good point about educating both the Coalition board and the public.

ITEM NO 6. Financial Report

Mr. Muccillo said that everyone has paid, and the balance in the account is \$201,500.00. There has been no activity to report, but the proposal will be a

normal agenda item for Project Management/Financial Report, Item 4, after approval of minutes.

ITEM NO 7. Status of Burgess & Niple contract for Professional Services as Program Manager.

Mr. Munderloh said that Mr. Muccillo was not comfortable presenting this one, but the contract has been approved by everyone and they have gotten signatures from nearly everyone on the original contract. They are still waiting for the Tribe and Burgess & Niple to sign. Based on the strength of everyone signing and the fact that there is money, he has given Mr. Muccillo a verbal notice to proceed. He will now issue the Notice to Proceed on Prescott Valley letterhead, since Prescott Valley is the financial agent for the Coalition. Mr. Munderloh said that the contract will be for \$200,000.

ITEM NO 8. Next Meeting Time / Location / Agenda Items

Mr. Muccillo said that there will be two TAC meetings before the next Coalition Meeting, and at the next Coalition meeting they will discuss safe yield, TAC representation, the Program Manager Report and the findings of the TAC meetings.

Chairman Fann said that everyone has been very patient getting this together. Now that they have the program manager on board, she would like to have them hit January 2008 running and get some things accomplished.

Mr. Muccillo said that their overall program management contract is to cover program management and completing the tasks they are talking about.

The TAC meetings would be held on December 12 and January 9 at 10 a.m. and open to the public. They have to determine a location, but the agendas will be posted on the Prescott Valley website.

There being no further business to be brought before the Upper Verde River Watershed Protection Coalition, the meeting adjourned at 2:52 p.m.

KAREN FANN, Chairman

ATTEST:

ELIZABETH A. BURKE, Clerk