

OFFICE OF BOARD OF SUPERVISORS**YAVAPAI COUNTY, ARIZONA****Prescott, Arizona****November 18, 1998**

The Board of Supervisors met in special session on November 18, 1998.

Present: Bill Feldmeier, Chairman; Chip Davis, Vice Chairman; Gheral Brownlow, Member; Bev Staddon, Clerk.

Also present: Jim Holst, County Administrator; Dave Hunt, Board Attorney/Assistant County Administrator.

In addition, the following individuals were present: John Olsen, representing the Groundwater Users' Advisory Council; Tom Reilly, Prescott City Councilman; Mike Flannery, Prescott Valley Town Councilman; and Paul Daly, Mayor of Prescott.

ITEM NO. 1. Discussion and possible action regarding County's role in water issues. Chairman Feldmeier said the reason he had called this meeting was that upon returning from the Board meeting in Cottonwood on November 16th he discovered a five-page letter that had been printed on County letterhead and contained the signatures of Supervisor Davis and four of the five mayors of the cities and towns in the Verde Valley. He said he became both frustrated and concerned that for the second time in 12 hours he was surprised with new information. He said he recalled the last remark that Supervisor Davis had made to him following the meeting on November 16th, which was that he had not tried to blindside him (Chairman Feldmeier) or Supervisor Brownlow about the letter that had surfaced during that meeting, and that he (Supervisor Davis) had thought they had received the letter. Chairman Feldmeier said he had thought Supervisor Davis' statement was true until he saw the second letter. He said it disturbed him that new information was coming out after the Board had had what he thought was a "heart to heart" talk, and that the new information was entirely different than what the Board had talked about. Chairman Feldmeier told Supervisor Davis that he could have notified him and Supervisor Brownlow at the Board's meeting on November 16th that there was a second letter also dated November 12th, or that he could have faxed it or e-mailed it to them. Chairman Feldmeier said he was greatly bothered by what had occurred and that he was uncomfortable in having a discussion in one direction and then finding out that other information had been sent out to other people. He asked how the Board members could be on the same page when things like this happen. He said if the Board was going to work as a team, then it should work as a team, and that he did not know how that could work when one member is doing something very different from the others. Supervisor Brownlow said he and Chairman Feldmeier had not received the letter until the afternoon of November 16th, and that the letter was dated November 12th. He said his first question was why did he not receive the letter sooner, and that his second question was whether Supervisor Davis knew at the November 16th Board meeting that the other two members had not seen the letter. Supervisor Davis responded that he had not known whether or not Chairman Feldmeier and Supervisor Brownlow had seen the letter, but that on November 12th the water issue was not on the agenda. He said he did not know that anything in the letter was different from what had been discussed at the November 5th meeting in Jerome, and that he did not see any information in the letter that would be considered shocking. Mr. Olsen said he wanted to inform the Board of some late breaking developments, saying that things had to be held together at least for the time period in which a direction could be defined. He said he was willing, with the permission of the Board, to act as the coordinator of an advisory group to address water issues. He said he had spent two hours with Bill Fain earlier on this day and that he knew what Mr. Fain was going to do, and it did not involve a lawsuit in the event of a declaration of water mining. He said that Shamrock Water Company was now owned by the Town of Prescott Valley. Mr. Olsen said that his organization had also requested a meeting with Arizona Department of Water Resources Director Rita Pearson to ask her if she would be willing to go along with a moratorium for a period of time, and that if she was willing to do so that would provide some direction. He said

that by the same token, if Ms. Pearson was not willing to delay a declaration, that would also tell people where they are headed. Mr. Olsen said the public needs to know that everyone is together and moving forward regarding the water issue. He said he believed the issue of water mining in the AMA was a side issue because no one would know much until some studies can be done. He told the Board that if lot splits and exempt wells occur in the Big Chino area and within the AMA, it would be a big problem. Mr. Olsen said if water use in the Prescott area was going to affect the Verde River, then people in the Prescott area need to know and so do people in the Verde Valley but that if it can be shown that the Verde River is not affected, then people in the Verde Valley can be comfortable with that information. He said he did not need another job, but that the water issue is important to him and to his family, and that he was asking the Board members to find it in their hearts to stay together on the issue at least until there was some direction on where to go and how to do it. Mr. Olsen said he believed the people in the Verde Valley really need to back off a little and be more open-minded and say "let's help and let's do it right", but that to say they want a declaration of water mining to go forward was just an impediment to the process. Supervisor Brownlow said it was evident to him that if some of the players don't back off, it would not be possible to solve the problem. He said the County does not have a lot a stake because it does not have infrastructure or water rights, but that its leadership role was at stake. He said the Board could not lead if either Supervisor Davis or Chairman Feldmeier continue to take sides with cities and towns. He said the Board represented the County, and that he believed the Board members needed to back off and become leaders. He said Chairman Feldmeier had talked at the November 16th Board meeting about doors being heavy, and that he thought the doors were probably just as heavy now as they would be later. Supervisor Brownlow said he believed Ms. Pearson had probably already made up her mind regarding the declaration. He said he believed there was enough water in the County to protect future generations as long as it is managed properly. Chairman Feldmeier said it was easy for him to accept the statements that Supervisor Brownlow had made. He said his goal all along was to provide a leadership role, and that when the Board had met with the cities and towns and other interested organizations in Jerome, the object of the meeting was to exchange information freely. He said he was only supporting a delay in the declaration from the standpoint that if the rules are in place what difference would it make. He said he had felt as though everyone had come a long way at the Jerome meeting in exchanging ideas and providing information, but then he received the letter signed by Supervisor Davis and four of the five mayors of the cities and towns in the Verde Valley. Chairman Feldmeier said all three members need to work together as a Board and represent the entire County. He said he could not represent just Prescott Valley or Prescott. He said he was concerned because Supervisor Davis had used Board of Supervisors' letterhead and County resources to approach the mayors of the cities and towns in the Verde Valley in order to establish what the rules of the game would be. Chairman Feldmeier said there needs to be an atmosphere of trust, and that what Supervisor Davis had done was to break that feeling of trust for him. Supervisor Davis asked Chairman Feldmeier if he could tell him what broke the trust and what he did not agree with. He said he felt he did have a responsibility to represent the people in his district. He said he recognized that the Board was part of the big picture, but that members also have a responsibility to the people in their districts and that each one needs to know where the others stand. He said the letter informed those in the Prescott AMA of the Verde Valley's concerns, and that the Verde Valley was just asking for the same information from the AMA. Chairman Feldmeier said he and Supervisor Brownlow had received the letter late, that there was a list of people to whom the letter had been sent, and that if those people did not believe the letter represented a position he would be surprised. He said he had not heard all of the people at the Jerome meeting saying the things that were in the letter, and that it appeared to him that Supervisor Davis had taken the issue and the letter to the mayors of the cities and towns in the Verde Valley and said "sign here." Chairman Feldmeier said he had heard someone from the Sedona City Council ask at the Jerome meeting what harm it would do the Verde Valley if the declaration was delayed as long as the rules were in place. He said there needed to be a list of concerns and that everyone should agree not to go beyond that list. Mr. Olsen said that regardless of the content of the letter, it was important to move beyond it. He said he believed the question of the AMA was really ancillary to the goal, and that he believed everyone hoped there would be some breathing room so things don't become final before everyone knows how to proceed. In response to a question from Supervisor Brownlow, Mr. Olsen said he considered the upper watershed to be everything that runs into the Verde River in the Sullivan Lake area. In response to the same question from Supervisor

Brownlow, Supervisor Davis said he considered the upper watershed to be the Little Chino and Big Chino basins. Mr. Olsen said no one knows how much of the flow in the Verde River comes from the Little Chino or Big Chino aquifers and how much comes out of the northern plateau. He said that, hopefully, ADWR's peer review of the two water studies would show gaps in the information that would allow for a focus on those gaps. Supervisor Davis said the issue to be addressed was what natural resources are available. Mr. Olsen said he would be asking Ms. Pearson whether she was willing to allow a moratorium on the declaration, and if not, when the declaration would be made. Chairman Feldmeier said the Board members have a responsibility to work with each other, and that he needed reassurance that the members were going to work together as a team. He said if that was not going to be possible, then there was no sense in the Board taking the lead role regarding the water issue. He said the Board could not afford to have one-third of its body out of sync no matter who it is, and that it was critical that the Board stay together as a team. Chairman Feldmeier said he believed the Board's role should be to guide people through a very difficult time, and that it would not be possible to do that if the rules are decided in advance. Supervisor Davis said if the Board is to guide people, then it needs to be aware of all the information that is available. He said it was important to identify what, exactly, people are concerned about and what they want to accomplish. He said it would be necessary to determine where people want to go and how to get there, and he asked if it was not important to know what the issues are. Chairman Feldmeier said he would like to find out the issues as everyone goes through the process using open dialogue. He said that when someone puts something in writing there is a danger of it exploding because people can't hear how things are being said and there is room for misinterpretation. Supervisor Brownlow said he believed the letter was too early in the process. Mr. Daly asked Supervisor Davis why he did not provide the information in the letter to Chairman Feldmeier and Supervisor Brownlow as an internal memo. Supervisor Davis responded that other people were involved also. Chairman Feldmeier said he was willing to say that he, like Supervisor Brownlow, was firmly in the middle but that he needed to hear the same thing from Supervisor Davis. Supervisor Brownlow told Supervisor Davis he believed that he and Chairman Feldmeier had been broad-sided a bit because of the letter. He said that in the past the Board members had pretty much stood together and that they need to stand together on this issue. He said everyone needed to re-think things and then move forward as a team. Supervisor Brownlow said that for the most part he had stayed out of it, but that everyone was after water in his district and that the lot splits would happen in his district. Mr. Daly said he believed the Board would have support on legislation regarding exempt wells, and that if the AMA was going to manage water it would need to be responsible for wells. Supervisor Brownlow noted that realtors love lot splits. Mr. Daly said there needs to be a way to manage exempt wells and that it needs to be done under the same umbrella as that for other water users. Mr. Reilly said that with regard to the Board's internal management of communication, the members could probably take a lesson from everyone in the room. He said he hoped the Board members would work out their differences because everyone else was going to be looking to them for leadership. He said at the Jerome meeting there had been discussion about having another meeting, and that perhaps each entity's concerns could be discussed at the next meeting in an open forum. He said the first step to coming together might be to get everyone together in order to get the concerns out verbally, and that maybe there could be some buy-in to the scope of the whole issue. Chairman Feldmeier said that everyone needed to give up the idea that there are enemies among the concerned parties, because that would be counter-productive. He said he looked to the Board to take a lead role, but did not think that was going to happen because if the three Board members could not sign on to be open-minded, there was no sense in agreeing to take the lead role. Supervisor Brownlow asked what he was hearing from Chairman Feldmeier, saying Chairman Feldmeier had chosen to not put his comments in writing while Supervisor Davis had put his in writing. Chairman Feldmeier responded that he had not once said he was representing any city or town; that he did not represent cities and towns and that he did not want to represent them. He said his viewpoint was that the declaration should be delayed, but that he was also saying that the rules must be kept in place so the Verde Valley would be comfortable. He said he needed to hear from Supervisor Davis that he also was on board. Supervisor Davis said the declaration was a short-term issue and that he would like to see things handled as a long-term issue. Supervisor Brownlow said he had heard Chairman Feldmeier say that he would back off of the declaration issue, but that he had not heard the same thing from Supervisor Davis. Supervisor Davis said he would also back off of the declaration issue. Chairman Feldmeier said he needed to know that

because the letter that Supervisor Davis and the mayors of four of the five cities and towns in the Verde Valley had signed was on Board of Supervisors' letterhead and was prepared with County resources. He asked if the mayors who had signed the letter had done so as individuals. Supervisor Davis said they had signed as individuals, and that he would back off in his capacity as a County Supervisor. Supervisor Brownlow asked Supervisor Davis if he was willing to back off of trying to influence the others. Supervisor Davis responded that he did not know if that was his role. Chairman Feldmeier said it apparently had been Supervisor Davis' role to put the letter together. He said it was not necessary for any Board member to either promote or defend a position, and that nature should be allowed to take its course. He said that Supervisor Davis' leadership had brought people together to form the opinions stated in the letter and that he needed to know if Supervisor Davis' leadership could bring them back together to say that maybe they need to back off. Supervisor Davis asked if the issue was the declaration or what happens in the future. Supervisor Brownlow said the issue was the declaration. He said that most of the letter was okay except for a few parts, and that what was most upsetting was that he and Chairman Feldmeier had not received it until after the Board meeting on November 16th. Supervisor Davis said he did not think the Board wanted him to go home and tell everyone to go to sleep, and that he needed to know that what was going to be done would not be counteracted on the other side. Mr. Reilly said he thought what he was hearing was that none of the three Board members was going to take a side on this issue. He said he thought what Chairman Feldmeier was suggesting was that Supervisor Davis not take a position on this issue and that he let the entities in the Verde Valley know that he was not going to take a position. Chairman Feldmeier said he wanted people to be open, and that if the Board was going to go into this process and trust each other they couldn't do it with preconceived rules. Supervisor Davis said if what Chairman Feldmeier was asking for was Mr. Reilly's interpretation of the issue, then he was fine with it. Chairman Feldmeier said he believed that Supervisor Davis needed to suggest to the people in the Verde Valley that everyone needs to come together. Supervisor Brownlow said he believed the whole County was together, except on the water issue. Mr. Daly said if the Board was going to lead a group dealing with the water issue, it would need to rise above the other entities and take more of a role of judge in opening up opportunities for people to bring things together. Chairman Feldmeier said he would prefer that city and town councils not take action until everyone can get together again as a group. He said that instead of everyone coming to the table with a position, people needed to get together and talk and deliberate. Mr. Reilly said he did not think there was a problem with people having preconceived notions, but that they need to be open-minded. Chairman Feldmeier said this issue was worthy of a Saturday session. Supervisor Davis said he believed that things needed to be written down when people come to the meeting. Mr. Reilly said that was fine, but the goal should be to get all issues out, and not necessarily to get them ahead of time. He said that would happen with an exchange of people, not with an exchange of paper. Chairman Feldmeier said he had left the Jerome meeting feeling pretty good about getting to meet people. Mr. Holst said he had read Supervisor Davis' letter and that he had some questions about what it meant relative to all of the issues related to who does what, and so on. There was brief discussion regarding another meeting, during which Mr. Flannery requested that it not be held on a Thursday night, which is the night the Prescott Valley Town Council meets. Supervisor Davis referred to the meeting with Ms. Pearson that Mr. Olsen had spoken about, saying he would like a representative of the Verde Watershed Association to be present at that meeting. Mr. Daly said he was not sure that Mr. Olsen's position was the same as everyone else's, and that if Mr. Olsen could set up a meeting with Ms. Pearson there was nothing to prevent others from doing the same thing. He said he believed it was important that following the next meeting things move beyond people who can argue with each other, and that technical people who can get results be allowed to move forward.

There being no further business to discuss, the meeting was adjourned.

ATTEST:

Clerk

Chairman