

**OFFICE OF BOARD OF SUPERVISORS
YAVAPAI COUNTY, ARIZONA**

Prescott, Arizona

January 25, 1999

The Board of Supervisors met in special session on January 25, 1999.

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

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

ITEM NO. 1. Board of Supervisors.

1. Update on parks issues. **Mr. Holst said he had spoken with Bruce Solper, who had advised him that the County was likely to exceed in funding requests that allowed for any one community in one year from certain funding sources, and that for this year's cycle he would need to submit an application within the next two weeks. Mr. Holst said he was not sure what the Board wanted to consider for applications because Mr. Solper had talked to each individual Board member and had not included him in those discussions. He suggested putting Mr. Solper on the February 1st agenda to discuss grants. There was brief discussion regarding the current cable television franchise fees, during which there was general agreement that the fee should be increased and that this item should be placed on a future agenda for action.**
2. Consider sharing costs with other counties to hire The Strategic Issues Management Group, Inc. as a lobbyist. **Supervisor Feldmeier said that Yuma County was interested in pursuing a legislative proposal for a voter-approved sales tax of up to one-half percent for capital projects and a proposal that would broaden the ability of counties to act in the absence of statutory prohibitions. He said that in addition, Coconino County was interested in pursuing legislation that would allow for a hotel/motel bed tax in the unincorporated areas. Supervisor Feldmeier said the County could share in the cost of hiring Jim Buster of The Strategic Issues Management Group as a lobbyist for these proposals, and that he estimated the cost to the County would be about \$7,000. Mr. Hunt explained that Coconino County had expressed interest in a bed tax only for the unincorporated areas, but that he had drafted a proposal that would allow counties to collect such a tax in the incorporated areas where a bed tax does not currently exist. He said that in those incorporated areas with a bed tax, a county's bed tax would not apply. Mr. Holst said it would be important to ask Coconino County representatives their opinion regarding Mr. Hunt's proposal. Supervisor Brownlow moved to approve sharing the costs of a lobbyist contingent upon approval of the two Yuma County bills and approval of the hotel/motel bed tax proposal, and with the understanding that Yuma and Coconino counties would match the County's share. Supervisor Feldmeier seconded the motion. Mr. Holst asked if the Board would have a problem if indications from Coconino County were that the bed tax should apply only in the unincorporated areas. Supervisor Feldmeier said he had no problem with it. Chairman Davis said he was very hesitant when he was handed a legislative proposal that would raise taxes and expected to vote on it without having an opportunity to study it and determine where the money would go. Supervisor Brownlow said he saw this as cooperating with other counties. Supervisor Feldmeier said the hotel/motel bed tax was Chairman Davis' idea, and that it was a good idea. Chairman Davis said he had concerns about counties being able to pre-empt a city or town's ability to make a decision regarding whether or not to have a bed tax. Supervisor Brownlow withdrew his motion. Supervisor Feldmeier noted this would be a tax on tourists. There was general agreement that this item should be placed on the agenda for the February 1st Board meeting.**

ITEM NO. 2. Meet with representatives of Prescott, Prescott Valley, Chino Valley, Jerome, Clarkdale, Cottonwood, Camp Verde, Sedona, the Yavapai Prescott Indian Tribe and the Yavapai Apache Tribe regarding regional water issues.

1. Consider approval of a resolution to establish a Water Advisory Committee. The following individuals participated in discussion of this item: Yavapai County Administrative Aide Tom O'Halleran, representing the Verde Watershed Association; John Olsen, chairman of the Groundwater Users' Advisory Council of the Prescott Active Management Area; Jay Wilkinson, chairman of the Verde Watershed Association; 'Ren Northrup, ADEQ Watershed Coordinator; Tom Reilly, Prescott City Councilman; Rick Jaskulski, Cottonwood City Councilman; Kate Nelson, Chino Valley Mayor; Reynold Radoccia, Clarkdale Mayor; Chino Valley/Paulden area resident Brad Smith; Prescott Active Management Area (DWR) Director Phil Foster; Lucy Mason, Prescott City Councilwoman; Mike Baker, Cottonwood City Councilman; Rick Killingsworth, Prescott Valley Mayor; and Dennis Sundy, Arizona Department of Water Resources. Chairman Davis said that the declaration of water mining had diffused that issue and he hoped that now everyone could sit down together and work on regional water issues. He told those present about a meeting that he and a number of those present on this day had attended earlier in the day in Phoenix and that they had learned at that meeting that the state's commitment for funding to study water issues was not a five-year commitment as many had thought, but only a one-year commitment. He said that in order to ensure that funding would be available in the future, it would be extremely important to show results over the next year. Chairman Davis then explained the proposal for a Water Advisory Committee, saying it would be comprised of one representative of each of the cities and towns in the County, a representative from each of the Native American Tribes in the County, and one representative from the County. Supervisor Brownlow said he had a problem with having only one representative of the County. He pointed out that the unincorporated Dewey-Humboldt area is within the Prescott AMA and that part of the unincorporated Williamson Valley area is also within the AMA. But, he said, the area most overlooked was the Paulden/Big Chino area and that the property owners in that area had a vested right in what the WAC would be studying. He suggested including representatives from those areas on the committee. Chairman Davis said he wanted everyone to know that he had spoken with Representative Barbara Blewster regarding her bill to allow for review of water mining declarations, and that she had agreed to withdraw the bill this year but wanted input from those present regarding what they liked or did not like about the bill. He said that depending upon the response she received, Ms. Blewster would consider introducing the bill again next year or the year after. Supervisor Feldmeier said he had spoken with Ms. Blewster last week and that she had indicated to him that she had discussed this bill with Chairman Davis and that Chairman Davis had recommended that she hold it. Supervisor Feldmeier said he expected that Chairman Davis had given her that recommendation as an individual and not as a member of the Board since the Board had not had an opportunity to discuss the bill. He said he was surprised that Ms. Blewster would make that kind of decision based upon one person's opinion and that he would have preferred the Board having the opportunity to talk about the bill and leave the door open on it for this year. Chairman Davis responded that it was Ms. Blewster's decision and that she had spoken with a number of people. He said she had asked him for his opinion and he had given it. Supervisor Feldmeier said that was fine, but asked if Ms. Blewster had asked anyone in the audience on this day for their opinion. There was no response. Mr. Holst explained the organizational chart that was part of the resolution to establish a Water Advisory Committee, saying it was fairly straightforward, and that it had been developed in the hope that people would continue to come together to formulate the different studies that would be necessary to answer questions about water issues. He said staff had also felt it was important that decisions be reached on the basis of consensus rather than having a voting committee. Mr. O'Halleran and Mr. Olsen both presented brief updates on the activities of their organizations, with Mr. O'Halleran pointing out that the VWA had nominated City of Prescott Environmental Services Director Brad Huza as vice-president for next year in an effort to provide more involvement in the organization by the Prescott AMA communities. Mr. Olsen

said the Governor had indicated that the Prescott AMA would receive \$200,000 for its studies, but that it would be important to show the state that there is a responsible organization in place and that everyone was working together to deal with water issues. Mr. Olsen said another important issue that had arisen at the meeting in Phoenix on this day was that there would be some cost sharing. He said the organizational chart had been presented to GUAC and that his organization was in total agreement with it, and that with regard to the WAC it was up to the Board to add to it or delete from it because it was the Board's committee. Mr. Wilkinson said one of the things that everyone should keep in mind is that the VWA has been very successful in its efforts because no matter what individual interests members may represent, when they walk into a VWA meeting they are on neutral ground with a common goal of accomplishing beneficial work for the Verde watershed. He said his organization also approved of the WAC and that if those appointed to it approached it with neutrality he believed it would be successful. Ms. Northrup said she believed ADEQ and NACOG representatives should be included in the make-up of the committee. There was brief discussion about whether elected officials or staff should represent cities, towns and the Tribes, during which Chairman Davis said the Board's intention was to leave that decision up to the individual entities and that what was important was that each entity be represented. Mr. Jaskulski asked if the cities and towns would have a say regarding who sits on the technical subcommittee, adding that he was concerned about bias which might exist. Chairman Davis said the GUAC and VWA would develop issues to be passed on to the WAC, that everything would be an open book, and that sometimes moving issues away from technical people allows for things to be worked out. There was brief discussion regarding the committee's ability to elect a chairman or whether the Board would designate a County representative as chairman, about how often the committee would meet, and where the meetings would be held. Chairman Davis said the WAC would make decisions regarding how often to meet and where to meet. Mr. Reilly said the charge of the WAC was to review information regarding water issues of a regional nature and that one year was a very short period of time in which the committee would have to prove itself to the state legislature. He asked if the first meeting of the committee would be a scoping process, and he asked what questions were to be answered and whether it was how much water there was or how much could be used before wells started drying up. He said the City of Prescott wanted to be part of this process but was concerned about in what direction things are supposed to go. Mr. Olsen said he believed the process would evolve on its own if given the right direction. He said he believed that the Board should appoint a temporary chairman for the committee and that the first thing the committee should do is sit down together and determine a direction. He said both the GUAC and the VWA had already gone through a scoping process and that perhaps what the WAC should do is approve what had already been scoped by those two organizations. Mr. Olsen said that, to a large degree, everyone was feeling their way into this process and what it looked like a year from now might be very different from what was anticipated on this day. He said his organization did not want to become involved in politics as it relates to water issues, but instead was interested in scientific evidence that can be used as a management tool and that he saw the WAC as acting in an advisory capacity to review the scientific evidence. Mr. Smith encouraged the Board to involve retired well driller Jim Edwardson in the process, saying that Mr. Edwardson had a great deal of information at his disposal. Mr. Foster noted that both the GUAC and the VWA have their own in-house technical experts and that ADWR serves as technical advisor for the GUAC. He said he believed there would be very little need for additional technical review of any material passed from these two organizations to the WAC. In response to a question from Chairman Davis about the role that DWR would play on the committee, Mr. Foster said that while he could not speak for the department, DWR had always been available for technical support. Supervisor Brownlow asked if anyone could attend meetings of the VWA. Ms. Nelson said she was a member of the VWA and that the meetings were open to everyone. Mr. Olsen said the same was true of the GUAC. Supervisor Brownlow said he would like to see the County have two representatives on the WAC and that he also felt ADEQ should have a representative. Chairman Davis said he believed one representative from the County was sufficient, and that if the committee was too large it would become unmanageable. He said

he saw no need to have ADEQ or NACOG as members of the WAC, but that perhaps they could participate at the subcommittee level. Supervisor Brownlow then said he had no problem with having just one County representative. Ms. Mason expressed concern about having too many agencies represented, saying that all of the entities have their own technical advisors and that technical advice could be obtained through local elected officials. There was brief discussion about the various state agencies that have representatives attending VWA and GUAC meetings, after which Supervisor Feldmeier said he believed that the County should have two representatives. He said he did not believe that an additional member on the committee would slow things down. Mr. Olsen said he didn't think anyone would have any objection to the County having two representatives on the committee. Ms. Nelson said 13 members would be easier to work with than 12, and Mr. Baker said he had no problem with it but did not think one of the County representatives needed to be from the Verde Valley. Mr. Killingsworth said he had a problem with having representatives on the committee from DWR because the committee was an advisory committee reporting to that agency. He said he had no problem with the County having two representatives, as long as they are spread out. Mr. Foster replied that DWR is responsible for all groundwater management in Arizona. Mr. Radoccia suggested a County representative from each supervisorial district. Chairman Davis responded that he was comfortable that the Board could find two representatives who could be fair. He said the County's issues were primarily associated with lot splits and uncontrolled growth. Supervisor Feldmeier noted that the resolution establishing the WAC calls for the County to provide a person to staff the committee and he asked everyone to be aware of what it would cost and how the person is used. He said that if technical review becomes necessary, everyone would need to look at cost sharing. At this point, Supervisor Brownlow had to leave the meeting in order to attend a previously scheduled community meeting and was absent for the remainder of the Board meeting. Supervisor Feldmeier moved to approve Resolution No. 1163 Establishing a Water Advisory Committee, including a change to provide for two County representatives on the committee. Chairman Davis seconded the motion, which carried by unanimous vote of those present. Chairman Davis said he wanted to ask that the cities and towns determine as soon as possible who their representatives will be, saying they should seek out individuals who would be committed to the process and to attending the meetings. Mr. Baker said that last year there had been a great deal of disagreement but now water mining had been declared and he hoped that everyone would be able to work together. Chairman Davis agreed, saying that territorial walls need to be knocked down. Supervisor Feldmeier said that in the interest of clearing the air, it was important to him to understand why the Verde Valley cities and towns were hiring Tom O'Halleran to represent them on water issues and how that would interface with the Water Advisory Committee. Chairman Davis said he believed Mr. O'Halleran's relationship to the cities and towns was to deliver information and updates but that he did not know exactly what issues he would deal with. Supervisor Feldmeier said there were three tasks listed in the job description and that one of them was water issues. He said that Mr. O'Halleran appeared to be a paid lobbyist and that he did not know how that would fit with the WAC. Mr. Baker said that initially Mr. O'Halleran had been hired to keep track of what goes on in Phoenix, and that until such time as the WAC actually sits down and starts working together both sides of the mountain need to keep doing what they have been doing and look out for their own interests. He said that because water mining had been declared, Mr. O'Halleran's services might no longer be needed. Supervisor Feldmeier asked if it was necessary to continue Mr. O'Halleran in that role, saying he was a little uncomfortable with it not only because of Mr. O'Halleran's relationship to the Board but also because of his role as vice-chairman of the VWA. Mr. Baker said the only way the cities and towns in the Verde Valley would hear about what is going on at the state legislature would be to have someone down there. He said his position was to keep Mr. O'Halleran in place. Chairman Davis said he thought the message had to be clear that no one was going anywhere without everyone else. He said everyone needed to mend fences and work together and with the rest of rural Arizona. Supervisor Feldmeier said there was still one side that was not quite ready to do that and that he was not comfortable with Mr. O'Halleran's role because in addition to being

a paid lobbyist for the Verde Valley cities and towns he was also a paid employee of Yavapai County and vice-chairman of the Verde Watershed Association. Mr. Baker said there was a long list of tasks for Mr. O'Halleran and that right now he was working on the money that was promised to the Verde Valley by the state but which was given to someone else. Supervisor Feldmeier reiterated that he was not comfortable with Mr. O'Halleran's role, saying that if everyone was going to walk hand in hand it didn't fit. He suggested that Mr. O'Halleran's contract with the Verde Valley cities and towns be eliminated. Discussion turned to the committee and the appointment of a temporary chairman. Supervisor Feldmeier said he would like to see John Olsen be appointed chairman. Chairman Davis said that Mr. Olsen was already involved through the GUAC and that he believed the Board should wait on appointments until Supervisor Brownlow could be present. Mr. Wilkinson said that he had also had concerns regarding Mr. O'Halleran's role similar to those expressed by Supervisor Feldmeier, and that he had discussed his concerns with Mr. O'Halleran. He said that Mr. O'Halleran had assured him that he would gather information and attend meetings and that all information would be available to the VWA and the GUAC and anyone else who wants it. He said if it became apparent that Mr. O'Halleran had other interests he would be voted out of the VWA, and he said that Mr. O'Halleran would be watched closely. Mr. Radoccia said the cities and towns in the Verde Valley need representation regardless of the Prescott AMA or whatever else goes on in the western part of the County.

2. Consider appointment of an individual to represent Yavapai County on the Water Advisory Committee. **Supervisor Feldmeier moved to hold this item in abeyance. Chairman Davis seconded the motion, which carried by unanimous vote of those present.**

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

ATTEST:

_____ Clerk _____ Chairman