

COLORADO RIVER REGIONAL SEWER COALITION
May 29, 2008
Board of Directors' Meeting

ATTENDEES

Voting Membership Present

Gary Hansen	Buckskin Sanitary District
Mayor Jack Hakim	City of Bullhead City
Mayor Mark Nexsen	Lake Havasu City
Bill Cox	Chemehuevi Indian Tribe
Andy Jones	Colorado River Sewage Systems (JV)
Tom Sockwell	Mohave County
Cliff Edey	La Paz County (by phone)
Jim Nafsey	Metropolitan Water District
Scott Leedom	Southern Nevada Water Authority
Bill Cox	Chemehuevi Indian Tribe (by phone)
Lori Wedemeyer	Town of Parker

Also Present

Maureen R. George	Attorney
Tracy Tucker	Bracy, Tucker, Brown & Valanzano
Mark Clark	Lake Havasu City.
Terry Bracy	Bracy, Tucker, Brown & Valanzano
Bob Leuck	Bullhead City
Brandon Avila	Bracy, Tucker, Brown & Valanzano

CALL TO ORDER

Chairman Nexsen called the meeting to order at 10:05 a.m . Roll call was taken and it was determined that there were ten voting members in attendance.

1. Secretary's Report—Mark Nexsen

A. Consider approval of the minutes of the February 28, 2008 meeting.

The minutes were presented for approval. Tom Sockwell made a motion to approve the minutes as presented. Andy Jones seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.

B. CRRSCo website maintenance

Chairman Nexsen asked who had been in charge of the website maintenance in the past. Terry Bracy said they had originally set up the website and Brandon Avila would be willing to provide any updates. He stated they were focused on the website and agreed that they needed to get some current information on the website. Chairman Nexsen

requested that they update the site to make sure that all the current members were listed. Mr. Bracy requested that the Chairman appoint someone to work with Brandon and they would get it updated. It was decided that Doyle Wilson would be the contact person. Vice Chairman Hakim asked if the proposed legislative Bill had been placed on the website. Mr. Bracy stated the Bill was not on the website.

2. Treasurer's Report—William Way

Chairman Nexsen stated Mr. Way was unable to make the meeting, but he would try to answer any questions that they would have regarding the report. Tom Sockwell made a motion to approve the Treasurer's Report as presented. Gary Hansen seconded the motion. A verbal vote was taken on the motion with all in favor. Motion Carries.

3. Consider approval of amended Articles of Incorporation—Mark Nexsen

Chairman Nexsen stated items 3 and 4 would need eleven voting members in order to take action upon them. Attorney Maureen George advised this item had to go through the Arizona Corporation Commission process so this could be acted upon, but item #4 would take a two-thirds vote. Vice Chairman Hakim made a motion to adopt the Resolution of the Board of Directors of the Colorado River Regional Sewer Coalition, approving the amended Articles of Incorporation for CRRSCo. Tom Sockwell seconded the motion. A verbal vote was taken on the motion with all in favor. Motion Carries.

4. Consider approval of amended CRRSCo Bylaws—Mark Nexsen

Chairman Nexsen advised that this item would have to be postponed until there were at least eleven voting members in attendance.

5. Lobbyist report and update—Terry Bracy

- A. Proposed federal legislation
- B. Advocacy efforts in Washington DC
- C. CRRSCo's funding priorities requested in FY 2009 Interior Appropriations Bill
- D. Other related issues

Mr. Bracy reported that through everyone's team work they had achieved the agreement of the three major water agencies of Arizona, Nevada, and California on an initial bill and have begun the process of re-educating the ever turning congressional staff in Washington. They are preparing the way for the first trip to Washington by the Chairman and the members of the CRRSCo board to discuss something very specific and important. Mr. Bracy stated there had been strategic moments and different sources of influence ranging from local government to state government and to the press which we have gone to from time to time to try to move the ball down the field. Mr. Bracy stated the main lesson that they have learned has been that there has been success because of the work done at the local level, and it has worked upwards to Washington rather than Washington downwards. He stated the work not only includes the organization of CRRSCo, but the actions at the local level to set an example by actually going ahead and building systems and taking action at the local level which has been most impressive. We need to apply those same lessons and those same types of

approach to the Congress to get the ultimate result which we have been seeking. Mr. Bracy stated the first step is underway with meetings all over Capital Hill and the Interior Department with key people to make them aware that this agreement exists and that we are seeking their cooperation and federal relief. He stated they were getting the cooperation of MWD and the Southern Nevada Water Authority. He stated that the MWD lobbyist will be accompanying the CRRSCo board as they meet with people in Washington. He reported that Senator Kyle had confirmed a meeting and we are still scheduling meetings with others. We have an ambitious list of people that they are hoping to see. Mr. Bracy stated he had spoke with Lynn Scarlett, Deputy Secretary of Interior last week and she indicated that she would personally chair a meeting at the Interior Department with all the key officials. He stated they needed to see the Executive Branch and the Congress at the same to maximize the benefit of the meetings. Mr. Bracy stated they were working with Doyle Wilson to put together a presentation and they were on schedule. He asked if anyone had questions.

Chairman Nexsen asked if they had received any significant resistance, and what has been the nature of the questions received.

Mr. Bracy that in a lot of cases, they were dealing with new legislative assistants. We are starting at the beginning with a lot of new people. There is no hostility, but there is curiosity. He stated MWD had a very important meeting which was chaired by Congresswoman Napolitano of California of the Resources Committee where some of the top people of MWD talked about the mussels which is the hot issue of the day. The representatives from the Bureau of Reclamation and most of the key people from the Colorado River Water community were there. We were able to explain what we are working on and raise the question with the MWD scientists if the mussel infestation could be related to their food source and could their food source be influenced by nitrates. He stated the scientists responded that the nitrates would have an effect.

Vice Chairman Hakim thanked Mr. Bracy for the work his group was doing on behalf of CRRSCo. Chairman Nexsen asked if there had been any specific issues with the bill. Mr. Bracy stated now that the three major water agencies were working together and acknowledging the threat, it has helped to get attention. Mr. Bracy stated Secretary Scarlett was very supportive of the issues with the Colorado River. He stated the program under which the bill would be funded was thinly funded and would have to be expanded in order become the force to fix our problem. But, through persistence they had received a federal study through the Bureau of Reclamation which indicates that it would cost \$2 billion to solve the problem.

Andy Jones brought attention to the portion of the bill dealing with in-kind contributions. Tracy Tucker explained that the in-kind would not give the cities refunds, but the money already spent could go towards the in-kind requirement.

Susan Betts informed the board that she had received a phone message from Amy Porter from the Bureau of Reclamation who was following up on the final report, Reclamation Managing Water in the West, the Wastewater Treatment Needs Along the Lower Colorado River, that we had received in March 2007. Ms. Porter stated she had never heard back from CRRSCo regarding whether or not the report was accepted. Ms. Betts asked if the board wanted to take a position on the report or just accept it as presented.

She stated she didn't think they had replied back formally as an organization. Mr. Bracy stated he remembered that they had commented extensively on the report and they were reasonably well-satisfied with the final draft.

Jim Nafsey stated a couple of months ago someone had requested a copy of that report and he couldn't find the final report. He stated he never received the final report. Susan Betts stated she had extra copies of the report. She stated Bob Leuck had reviewed the report and was in attendance if the board wanted his comments.

Bob Leuck stated the original draft report was issued in 2005 and Lake Havasu City did an extensive review of the report. He stated Lake Havasu had prepared a memo with their comments which was presented to the Bureau in August 2006. The final report was issued in March 2007. The Bureau did take into account a lot of the comments made by Lake Havasu and they made three notable changes: (1) they reduced the total amount of money from \$2.3 billion down to \$2.1 billion of which the majority of that was phase 3 and 4, Lake Havasu funding, (2) they increased slightly the funding for Somerton and (3) increased another community in the southern area of the state. Mr. Leuck stated he felt that the basis of the report is still very valid and the Bureau made a number of the requested changes.

Chairman Nexsen stated it appeared that they needed to draft a letter of acceptance for the report.

Mr. Bracy stated there may or may not be earmarks this year because this is a very hot topic. But, we do need to identify what to ask for this year. He stated Tracey was handling this and they would like a couple of priority projects to present to the congress this year.

Tracy Tucker stated Congressman Franks had indicated that he would not submit any earmark requests because of the controversy, and we have no hope with Senator Kyle. She stated with the political environment and the presidential race, they are not certain if they are even going to send any appropriations bills this year and have earmarks. She stated in the past, CRRSCo, along with Burns and McDonald, had created a priority project list, and they were requesting a funding priority list for the 2009 interior appropriations bill. Chairman Nexsen stated he thought they had already done that at the last meeting. She stated they were looking for a priority list to include all of the projects from the CRRSCo communities. She stated she recalled that the list had Lake Havasu City as number one, Bullhead City number two, and the last she had seen of the list was in a power point presentation that Burns and McDonald had done many years ago. Ms. Tucker stated we need to review that list to see if it is relevant today or if it needs to be updated. Ms. Tucker stated some of the numbers would need to be updated because the projects had moved forward since the list was created. Ms. Tucker stated she would send the list to all the members. Chairman Nexsen requested that everyone review the list and it would be agendaized for the next meeting.

Bob Leuck stated the list that Tracy is referring to is contained in the original 1999 watershed document. He stated it had been broken down into small projects and large projects, and the order back in 1999 showed Bullhead City as number one and Lake Havasu second for the large projects which had to do with the Consent Order against

Bullhead City. Mr. Leuck stated sometime in 2001 or 2002 the list was revised at a CRRSCo meeting which included a lot of discussion. Perhaps the list could be found in some of the old files in Lake Havasu and/or in some of the old minutes. Tracy Tucker stated she would get the list out to the board.

Jim Nafsey stated the reports should be placed on the website. Chairman Nexsen stated each agency needs to take a look at their projects so that they can be prioritized.

6. Consider authorizing CRRSCo representatives and technical assistant(s) to travel to Washington D.C. and approve travel expenses for participation in advocacy meetings scheduled for June 25 and 26, 2008.

Chairman Nexsen stated there needed to be formal approval for people to travel to Washington D.C. He stated the people going on the trip are Vice Chairman Hakim, Chairman Nexsen and Dr. Wilson. He stated he had invited the general manager of MWD as well as the general manager of Southern Nevada Water Authority, but they decided to use their lobbyists instead of the general managers going to Washington. Chairman Nexsen asked if anyone else wanted to travel to Washington D.C. No one else volunteered to make the trip.

Chairman Nexsen stated the travel expenses were estimated at \$4,000 and was requesting a motion for the travel not to exceed \$4,000.

Andy Jones made a motion for CRRSCo to support the trip to Washington D.C. for a cost not to exceed \$5,000. Tom Sockwell seconded the motion. A vote was taken with all in favor.
MOTION CARRIES.

7. Set the next meeting date.

Vice Chairman Hakim stated he understood that they had an invitation to go to Parker. Jim Nafsey stated the next meeting could be held at Gene Camp of the Metropolitan Water District. There was discussion regarding the date for the next meeting. The consensus was to hold the meeting on Thursday, July 24, 2008 at 10:00 a.m.

It was decided that the people traveling to Washington D. C. would put together a report regarding the trip and email the report to all the members by July 10, 2008.

ADJOURNMENT

Jim Nafsey made a motion to adjourn. Tom Sockwell seconded the motion. A vote was taken on the motion with all in favor. Chairman Nexsen declared the meeting adjourned at 11:00 a.m.