

COLORADO RIVER REGIONAL SEWER COALITION
September 16, 2008
Board of Directors' Meeting
2360 McCulloch Blvd., North, Lake Havasu City, Arizona 86403
Police Facility

ATTENDEES

Voting Membership Present

Mayor Jack Hakim	City of Bullhead City
Mayor Mark Nexsen	Lake Havasu City
Councilmember Rodney Glassman	Tucson
Bill Cox	Chemehuevi Indian Tribe
Andy Jones	Colorado River Sewage Systems (JV)
Tom Sockwell	Mohave County
Jim Nafsey	Metropolitan Water District
Scott Leedom	Southern Nevada Water Authority
Lori Wedemeyer	Town of Parker
Charles Hull	City of Blythe (by phone)

Also Present

Tracy Tucker	Bracy, Tucker, Brown & Valanzano
Terry Bracy	Bracy, Tucker, Brown & Valanzano
Susan Betts	Bullhead City
Charlie Cassens	Lake Havasu City
Greg Frosli	Lake Havasu City
Doyle Wilson	Lake Havasu City

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 is a quorum.

1. Election of Officers:
 - a. Vice Chairman Hakim made a motion to reappoint Chairman Nexsen as Chairman. Jim Nafsey seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.
 - b. Andy Jones made a motion to appoint Vice Chairman Hakim as Vice Chairman. Tom Sockwell seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.
 - c. Vice Chairman Hakim made a motion to appoint Chairman Nexsen as Secretary. Andy Jones seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.
 - d. Andy Jones made a motion to appoint William Way as Treasurer. Tom Sockwell seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.

2. Secretary's Report—Mark Nexsen

The July 24, 2008 minutes were presented for approval. Charles Hull 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.

3. The Treasurer's report was presented which reflects an available cash balance of \$110,527.17. The operations fund has a balance of \$164,350.62, while the legislative advocacy fund has a negative balance of \$53,823.45. Andy Jones made a motion to approve the Treasurer's Report as presented. Tom Sockwell seconded the motion. A verbal vote was taken on the motion with all in favor. Motion carries.

4. Lobbyist report and update – Terry Bracy, Tracy Tucker

Terry Bracy gave the following lobbyist report and update:

- The appropriations process will not be clear until congress reconvenes in January.
- A continuing resolution will be put through until January and then they will go back and finish up this year's bills.
- Terry commented that we have some appropriations pending, however, the outcome will not be known until January.
- There was an Interagency meeting hosted by the Deputy Secretary of Interior last night regarding CRRSCo. It was believed that it was an Interagency meeting where the Secretary brought together all the different agencies within the Interior who are involved in the decision making process.
- Terry commented that he thinks it's likely that Senator Kyl will be in Arizona in early January. He believes that after the election is over it will be time refocus on what's really going to get done next year. Terry brought up that he thinks it would be smart for Mayor's Nexsen and Hakim on behalf of the CRRSCo Board to invite Senator Kyl to come to one of the two cities, Lake Havasu City or Bullhead City for a full meeting with the CRRSCo Board. Terry believes that they have to do everything they can to pursue the congressional hearing that's been promised whether it's in Washington or the in the field. Terry thinks that Washington is preferable.
- Terry would also like to suggest that we put together a technical working group because as we get into the real fight next year we're going to have a host of technical questions. We faced them in Senator Feinstein's office and we may not have all the answers, but we need to anticipate what's going to be asked and to be able to be ahead of the curve in terms of providing the best technical information that we can including the most recent readings on nitrate levels around the lake and almost anything that we can do related to nitrates and quagga mussels. In fact, one suggestion that was made in the meeting this week in Senator Kyl's office was to get the federal government to pay for a study, a technical study relating to the quagga mussel mess and nitrates might be. I would ask you Mr. Chairman to think about Doyle and whomever else could be assigned to this and that we could work with them and try to get ahead of the curve by deciding what questions are going to be asked, what research is needed.

- **Tracy Tucker gave the following lobbyist report and update:**
- A proposal that's been circulating in the water community, but now is starting to get legs amongst the US conference of Mayors and this is an idea of creating a program based or modeled on what is called the low income home energy assistance program. It will provide water, sewer and utility assistance to low income folks. Basically it would be if those that can not afford it who are at poverty level working, the working poor would get some assistance from the federal government to pay their water and sewer bills. We know that in your communities this could really make a difference. This proposal is very much at the beginning stages, but it's something that we want to make sure that CRRSCo is at the beginning stages of the discussion particularly if they work out any kind of formula so that we make sure that the formula works to advantage Arizona and other cities all across the country so that it's not just leaning towards the cities with the older infrastructure.
- A second idea has been discussed in the senate and also amongst the political campaign for president is the idea of a national infrastructure bank to deal with all types of infrastructure issues including water and sewer. The idea behind that would be for the federal government to provide \$50B of assistance over 10 years in an infrastructure bank that could be issued out to local communities for public private partnership to rebuild bridges, to build roads, but also to build water and sewer projects as well. This is a very promising idea because it's a new infusion of money that the government has not talked about in the past, but also it would really allow cities to be able to catch up on these very pressing needs infrastructure needs in our communities.
- Chairman Nexsen asked if there has been any additional discussion regarding the possibility of a new revenue stream. The chairman remembers when there was a discussion because of all the visitors to the river and maybe instead of asking the federal government for assistance we create a new revenue stream that then would be allocated among the Colorado River communities to assist in these kinds of projects, has there been any follow-up on this concept?
- Tracy Tucker commented that there hasn't been a lot of discussion on where that would happen. When the larger interagency meeting is scheduled we'll find out if that was part of their agenda or part of what they talked about in their internal meeting yesterday and then can put it back on the table when that larger meeting is scheduled and hopefully we'll be able to bring you back into town for that meeting.
- Chairman Nexsen – When it comes to the Mayor's water council is there a particular mayor in the country is spear heading this effort or is it several?
- Tracy Tucker – Mayor Martin Chavez of Albuquerque is in charge of it. He's the one that always talks about that their might be another co-chair, but he's spear heading this whole initiative which includes other issues to looking at how to finance sewer projects across the country. We can certainly get you in touch with them and even get you involved with Mayor's urban water council.
- Chairman Nexsen – I would like to have a discussion with them just about what we've been trying to do here on the Colorado River to get them up to speed and then if there is something we can do to help them, I personally would be happy to do so.
- There was a discussion regarding engaging Senator Kyl with the CRRSCo board and a Regional Conference.

- Vice Chairman Hakim asked Terry if he would help us set this up and get us the names of the VIP's that should be invited to this regional conference?
 - Terry Bracy said absolutely.
5. Discussion and possible action to award a contract for professional services to update the CRRSCo priority project list – Greg Froslic

Greg Froslic discussed that a selection committee was formed in response to direction from the Board at the July 24th to solicit professional services for updating the CRRSCo project priorities list. The selection committee consisted of Jim Nafsey, Andy Jones, Bob Leuck, Doyle Wilson and Greg Froslic. Together they went through a request for qualifications and issued that to the public on August 17. Three firms replied on Sept. 3rd that were all very qualified. The committee met on Sept. 4th to discuss them and to schedule interviews with all three firms on Sept. 9th. The three firms were RBF Consulting out of Ontario California, RTW out of Las Vegas and PBS&J out of LHC. Based on the interviews and the established scoring the selection criteria we came to a unanimous decision to select PBS&J out of LHC to negotiate a scope of work and fee with. Packets have been included in your packets some information on PBS&J as well as a scope of services labels attachment B which would become part of the contract should we move forward with this. Based on this information that Greg Froslic provided as well as the PBS&J local knowledge and history with CRRSCo, the committee is recommending award of a contract in a lump sum amount of \$30,000. Mr. Kevin Murphy with PBS&J is here in the audience if you have any specific questions.

Chairman Nexsen asked if Kevin Murphy would give a presentation background on his proposal and what they would hope to accomplish.

Kevin Murphy – Commented that he and Jim Martin have had a long history with LHC and CRRSCo. He also commented that they understand the importance of this document to help leverage funds and to educate the legislatures on the importance of the Colorado River. They feel that given their local presence and knowledge that they will be able to get the job done in a short amount of time. He commented that the contract calls for the final report to be finished in December.

Vice Chairman Hakim asked if they still be able to come up with a priority list during this timeframe.

Kevin Murphy responded that they are going to take the current priority list and look first at how the priorities are used, meet with the technical staff that you've assigned that the weigh in factors that were used previously are still applicable today and then we can go through the projects, eliminate the ones that are no longer there and start identifying the projects using the same consistency moving forward and then come up with a new priority list based on projects that aren't complete, projects that have the largest impacts to the River and then also the weigh in factor who can afford it and who can't.

Vice Mayor Hakim asked which is the priority, is it the nitrates and quagga or is it the priority list.

Kevin Murphy respond that most of where their time is going to be spent is updating what's been accomplished and then updating what the environmental issues are today. We have an environmentalist scientist on our team that's going to look at the environmental issues, how the nitrates relate to the mussels and how some of the other issues. One of things that's not in the report is how many beach closures have occurred in the last 10 years, that's some of things I think have been missing in the previous reports. I think it really sends a message.

Charles Hull commented that there are other small communities not represented by CRRSCo. Ehrenberg is a neighbor across the river, they use surface water out of the Colorado River and could have the quagga mussel in their distribution system. It is in the Palo Verde Valley, it is right at just above the international border at the imperial dam and while our system is insulated from that contamination with underground wells, Ehrenberg may not be and they may fall victim to this.

Andy Jones replied that CRRSCo has identified Ehrenberg as #13 on the phase 1 priority list a number of years ago and they are on our current priority list and I believe that there were represented through the La Paz country representatives. They've been scored and identified and they are on the list.

Jim Nafsey commented that when they were visiting with PBS&J they did talk about that and it was understood that there would be some areas that aren't represented in our existing 1999 study and that it would be an opportunity for PBS&J to find those communities along the river that are not represented and also give them an opportunity to tell them about CRRSCo and the future potential involvement of those communities within this organization.

Andy Jones responded to the Vice Chairman's answer to his earlier questions. When we got together as the technical advisory committee ad hoc we basically talked with the engineers and when we formulated what it was we wanted to discuss and what we wanted to prioritize and what we wanted to achieve, basically we wanted to update the prioritization of the projects along the line of thinking as sewer improvements, specifically it would go along with what CRRSCo had originally identified and we did talk about the nitrates, but that got into, it got a little bit beyond nitrates and it got a little bit beyond quaggas, so what we asked them to do was pretty much identify for Terry a list that he can take and an executive summary he can take to Washington and take to our representatives and give it some teeth. We were considering the nitrates and the quaggas certainly not to look away from, but to be put on at a little later date.

Chairman Nexsen asked Greg Froslic how much participation would there be from staff from either BHC or LHC?

Greg Froslic commented that he had envisioned that the selection committee would transition to the technical advisory committee. He doesn't think they will have a tremendous amount of time needed to dedicate to this, but there are a couple of interim technical memorandums that PBS&J has committed to prepare, they will need feedback from us.

Vice Chair Hakim told Chairman Nexsen that he would like to see Doyle on that committee. When we were up in DC he represented the area well and for continuity sake if we had to go back again at least he would be familiar. The question was directly asked of him in Senator's Feinstein's office to gather some of that technical data. I would like to see Doyle on that if the board agrees.

Andy Jones commented that Doyle Wilson played a large part in the committee for the selection of the engineers and his expertise on the board on the technical advisory committee. Once again I would like to say that what Bob and Greg have done in last couple of weeks has been astounding. They have done a tremendous amount of work. Doyle has participated tremendously and we've gotten together and had a couple of meetings with Jim and myself and I think we've come a long way and like Greg said we've got to work fast. I think we're heading in the right direction.

Charles Hull for point of clarification asked if any of the selection committee or the voting members today is related to anyone from the consulting firm. It was confirmed that no one is related.

Chairman Nexsen asked if Southern Nevada, was involved in any part of the priority list in the beginning?

Andy Jones replied that he didn't believe so, as far as the original 1999 and 2004 updates I don't think so.

Jim Nafsey commented that the original study actually just went up North as far as Hoover Dam, so we'll probably going to have to look at that since So. Nevada is such an active member of this CRRSCo board now too.

Vice Chairman Hakim asked if that was something that Southern Nevada could be involved in?

Scott Leedom replied absolutely.

Vice Mayor Hakim asked how often will we be getting a report.

Chairman Nexsen commented that the study will be done in December.

Terry Bracy commented that CRRSCO may want to call a special meeting to review those results before you have your VIP's in the room.

Chairman Nexsen agreed.

Andy Jones made a motion to adopt the proposal from PBS&J and award them a contract of a lump sum of \$30,000 to update the Prioritization of projects for the Colorado River Regional Sewer Coalition. 2nd Jim Nafsey. Amend motion – to add the authorization of the chairman to sign the contract to PBS&J in the amount of \$30,000. Motion Carries.

6. Discussion and possible action to appoint a technical advisory committee to work with the consultant in their efforts to update the CRRSCo priority project list – Greg Froslic

It was discussed that Andy Jones, Jim Nafsey, Doyle Wilson, Bob Leuck, Greg Froslic and Scott Leedom be appointed to the technical advisory committee to work with the consultant in their efforts to update the CRRSCo priority project list.

Andy Jones made the motion that we appoint Andy Jones of the Colorado River Sewage System joint venture, Jim Nafsey of MET, Scott Leedom of the Southern Nevada Water Authority, Mr. Bob Leuck of BHC, Greg Froslic of LHC and Doyle Wilson of LHC to the technical advisory committee to work with PBS&J and their efforts to update the CRRSCo priority project list, Jim Nafsey 2nd. Motion Carries.

7. No additional items to report.
8. Set next meeting date - The next meeting date will be November 12, 2008 from 10:00 a.m. – Noon at the Police Facility in Lake Havasu City.

ADJOURNMENT

Vice Chairman Hakim made a motion to adjourn. Charles Hull seconded the motion. A vote was taken on the motion with all in favor. Chairman Nexsen declared the meeting adjourned at 11:05 a.m.