

**MINUTES
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, FEBRUARY 14, 2018 at 5:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. Call to Order

Mayor German called the meeting to order at 5:30 p.m.

2. Roll Call

Council Members Jackie Baker, Buck Buchanan, Dee Jenkins, Brad Gordon; Vice Mayor Jessie Murdock; and Mayor Charles German were present. Councilmember Robin Whatley was absent.

Also Present

Town Manager Russ Martin, Town Clerk Judy Morgan, Yavapai Apache Nation Chairwoman Jane Russell-Winiecki, Clarkdale Mayor Doug Von Gausig, Rainbow Acres Gary Wagner and Recording Secretary Jennifer Reed.

3. Pledge of Allegiance

Mayor German led the Pledge.

4. Work Session. No legal action will be taken.

Mayor German moved Item 4.2. ahead to accommodate Clarkdale Mayor Von Gausig who was stuck in traffic and would arrive late.

4.2. Presentation regarding the Sustainability of Rainbow Acres.

Mayor German introduced President/CEO of Rainbow Acres, Gary Wagner. Mr. Wagner thanked the Council for the opportunity to speak. He gave a PowerPoint presentation about Rainbow Acres how it works, how it impacts the community and gave backgrounds of some of the Ranchers. He explained that most of the money for their budget comes from outside Yavapai County. Mr. Wagner is looking for input from leaders throughout the Verde Valley. He would like the Council to consider Rainbow Acres' long-term sustainability. Mr. Wagner handed out packets of information of the economic impact Rainbow Acres has on the Verde Valley.

Councilor Baker asked for suggestions that people could do as individuals and/or as a Council to help Rainbow Acres. Mr. Wagner stated, helping them reach out to serve more people in the Verde Valley would enable them to increase their impact. They are looking for a Coach to work with individual ranchers.

Councilor Murdock asked if they work with the Resource Departments within the schools to provide additional support for the students that could benefit from Rainbow Acres Services. Mr. Wagner stated they have not had the opportunity to do that at this point, but they will look into it. They have only participated in joint Special Olympics and little get togethers. Councilor Murdock sees a need for a transition from school age kids to adults. Mr. Wagner said Basha's works well with employing the ranchers as well as Sedona Recycles.

Mayor German requested a recess at 5:49 .pm., while waiting for their guest to arrive.

The meeting was resumed at 5:51 p.m.

4.1. Presentation on proposed Big Chino Reservoir Power Project. Attendees to present include Yavapai Apache Nation Chairwoman Jane Russell-Winiecki and Clarkdale Mayor Doug Von Gausig.

Clarkdale Mayor Doug Von Gausig spoke about the Big Chino Pump Storage Project. He said a pump storage project works off of two large reservoirs of water at different elevations. At night, when electricity is cheaper, the water is pumped from the lower one to the top one. During the day, when electricity is more expensive, it drains out penstocks out through generators, like a hydroelectric dam. This creates electricity through gravity feed down from the upper reservoir. That electricity is sold to the grid. The differential between the two rates is where the pump storage project makes its money. The Big Chino Pump Storage Project will be using water from the Verde River and will reduce the flow to about 2 CF's each day or 10%. This could have a major impact to different places along the river where the water level is lower. This project is right in the Big Chino Aquafer which provides 85% of the base flow of the Verde River. Every gallon you lose out of the Big Chino is a gallon that doesn't make it to the river. This means a direct 1 to 1 correlation with the water that is being consumed by the project and the reduction to the flows of the Verde River. This is a very complex project and it's currently going through the Federal Energy Regulatory Commission (FERC). They have to have a license from FERC to create this project. Lines of wire will need to be run and connected to the grid at different places. It is producing enough electricity to meet FERC's requirement.

The Town of Clarkdale filed a motion to intervene. They have the right to comment and be involved in each of the steps of the project. They will represent all the communities in the Verde Valley. No one else can intervene because they have closed that intervention opportunity. The Town of Clarkdale would like to hear from the different communities in the Verde Valley about what their economic development picture is. They would like to visit each Council every once in a while to keep everyone up to date with what is coming up. As they go through the process the lawyer costs will be building. In the future they would like to consider having an IGA to help with expenses.

Councilor Gordon asked if these reservoirs are already existing. Mayor Von Gausig said they do not exist but they will be built in a natural channel so they will have natural drainage. They will be building two large dams. Councilor Gordon stated that with increase of recreational use, that might increase the population. Right now it might only be a 2 CF drain but it could increase. Mayor Von Gausig stated with the projects that are coming up it will cut the Verde River flow by half without any mitigation.

Councilor Baker asked when the Town of Clarkdale filed to be an intervenor, was there enough time to get more communities involved. Mayor Von Gausig said there was only a 4 day period to do it and it was rushed. That period has since closed.

Mayor Von Gausig will continue to update the Council as to how it's coming along, and will possibly ask for a letter showing support.

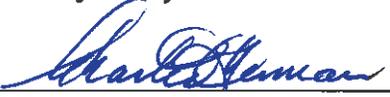
Councilor Murdock asked if this is something to ask the County Supervisors to look into their development areas. Mayor Von Gausig stated the County likes to create conservation subdivisions. They don't do any direct water work at all. Councilor Murdock stated the Verde River is one of the last free flowing rivers within the region. Once they put in the storage ponds, how will that change their designation? Will there be a protected status? Mayor Von Gausig said that they would likely not have public access. The only protected status is below Beasley

Flat. However, Mayor Von Gausig said the Yavapai Apache Nation would be one of the most likely interveners, with their water settlement, and their federal reserve rights, they have a different type of enforceability. They could be a big help in this.

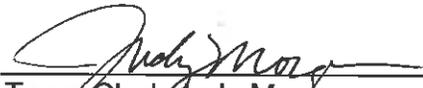
Yavapai Apache Nation Chairwomen Jane Russell-Winiecki stated they have also intervened and have water lawyers working for them. They have a water settlement going on. The federal government supports actions they take. The Yavapai Apache Nation feels they need to put a flag up for everyone. The budget process will be a huge impact. She attended the Economic Forecast Luncheon which included representatives from all of Arizona. Education and water were a high priority. Chairwomen Russell-Winiecki stated that if we lose our water, we will lose lives and livelihoods. The Verde River is critical. She will keep the council advised as to what is happening. This will take a long time but diligence in watching it will affect the future.

5. Adjournment

Mayor adjourned the meeting at 6:14 p.m.



Mayor Charles German



Attest: Town Clerk Judy Morgan

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Council Meeting of the Town Council of Camp Verde, Arizona, held on February 14, 2018. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 8th day of March, 2018.



Judy Morgan, Town Clerk