



**Regular Meeting of the Tri-City Council
Wednesday, October 17, 2018, at 10:00 a.m.
Bullhead City Council Chambers
1255 Marina Blvd., Bullhead City AZ 86442**



**City of
Bullhead City, Arizona**

Tom Brady, Mayor
Mark Clark, Vice Mayor



Lake Havasu City, Arizona

Mark S. Nexsen, Mayor
Jeni Coke, Vice Mayor



City of Kingman, Arizona

Monica Gates, Mayor
Jen Miles, Vice Mayor

CALL TO ORDER

The meeting was called to order at 10:00 a.m. by Chairman Mayor Brady.

1. ROLL CALL

Lake Havasu City

Council Present

Mark S. Nexsen, Mayor
Jeni Coke, Vice Mayor
Gordon Groat, Councilmember
David Lane, Councilmember
Michele Lin, Councilmember

Staff Present

Jess Knudson, City Manager
Jerri Bracamonte, City Administration

Bullhead City

Council Present

Tom Brady, Mayor
Kathy Bruck, Councilmember
Annette Wegmann, Councilmember

Staff Present

Toby Cotter, City Manager
Sue Stein, City Clerk
Garn Emery, City Attorney
Keegan Littrell, Public Works Director

City of Kingman

Council Present

Jen Miles, Vice Mayor

Staff Present

Ron Foggin, City Manager

Pursuant to the Americans with Disabilities Act (ADA), the Tri-City Council endeavors to ensure the accessibility of all of its programs, facilities and services to all persons with disabilities. If you need accommodation for this meeting, please contact the City Clerk at the office for (BHC) 928-763-0111, (KNG) 928-753-8102 (LHC) 928-453-4142, at least 24 hours prior to the meeting so accommodations may be arranged.



Others Present

Sonny Borrelli, Senator
Alvin Stump, Arizona Dept. of Transportation
Lois Wakimoto, Mohave County Supervisor
Cindy Landa Cox, Mohave County Treasurer
Jeanne Kentch, Mohave County Assessor
SueAnn Mello-Keener, Mohave County Treasurer's Office
Karen Flenniken, Rep for Mohave County Supervisor Angus
Ken Strobeck, League of Arizona Cities and Towns
Jamie Kelley, General Counsel, Mohave County Water Authority
Jaime Hernandez, ADEQ
Erin Collins, Erin Collins and Associates



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2. Pledge of Allegiance

Chairman Mayor Brady led the assembly in the Pledge of Allegiance.

3. Call to the Public

Erin Collins presented the championship belt to Lake Havasu City for achieving the most employee steps taken in the last fiscal quarter.

4. Introduction of Special Guests

There was no discussion under this item.

5. Approval of the Minutes from the July 18, 2018 TCC Meeting

Mayor Nexsen moved to approve the July 18, 2018 Tri-City Council meeting minutes as presented. Mayor Brady seconded the motion. A vote was taken on the motion with all in favor. MOTION CARRIED.

6. Mohave County Supervisors - Update

County Supervisor Wakimoto said it was her pleasure to represent the county at the drought contingency plan sessions held in Phoenix. She said the plan was so important to the welfare of the river communities and the entire state. She said they were pleased the Mohave County Water Authority (MCWA) had a voice at those meetings, even though Mohave County and the Mohave County Water Authority were the smallest water users. She said Jamie Kelley was her alternate representative. She said the main purpose of the drought contingency plan was to keep from hitting the shortages anticipated through geological surveys. She said in two or three years, the Lake Mead area was expected to go into a Tier 2 shortage for



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Tri - City Council



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the State of Arizona. She said California, Mexico, and Nevada have all come to the table, and said Arizona was the only lower river basin state that did not have a drought contingency plan. She said it was imperative they move this forward through the Legislature as Arizona was the most junior member of the participating states and would take the largest cut first. She said two things had to happen. She said Pinal County Agricultural Mitigation was the first thing to have to happen because agriculture was important to that area; and due to the decisions they made, the area would lose all their agricultural water. She said they were asking for full mitigation which meant half of the water they usually received, or 120,000 acre feet of water. She said if they could not get mitigation, the plan would not go through the Legislature. She said the other thing that had to happen was an ICS (Intentionally Created Surplus) which would keep the water levels behind Lake Mead higher. She said their agriculture mitigation ended up at 80,000 acre feet, which would devastate the economy in Pinal County. She said they would continue to work to see what they could do to continue mitigation in Pinal County. She said as they moved forward, the plan was to have things ready to go at the next meeting in December. She said they hoped the lower and upper basin states would get together and come to an agreement. She said the shortage is dire and they needed to move things forward for the entire state.

County Supervisor Wakimoto said Jamie Kelley and she would meet with the Central Arizona Project (CAP) that had been their nemesis in the area for a while. She said the county's efforts in building connections had been positive; and said one of their supporters, the Gila River Indian Community, wrote a letter in support of not moving any of the Colorado River water off the river. She said this was also the policy of the Mohave County Water Authority, and said the MCWA did not want any river water going to Central Arizona. She said the CAP had a deal with the Gila Tribe where they would purchase 450,000 acre feet of water for 25 years and that would take care of their replenishment district for the next 25 years. She said they were looking at taking 5,500 acre feet per year out of the MCWA area. She said she was hopeful the tribal community would move forward with their plan which would take the bullseye off of Mohave County's back. She said that was the reason they were traveling to Phoenix tomorrow to testify at CAP, as well as to thank the Gila River Tribe. She said they were moving forward and hoped to have more decisions made by the end of November.

Karen Flenniken, representative for County Supervisor Hildy Angius, provided a report. She said Supervisor Angius worked hard to keep the proposed county development services/building fee increases down for the contractors, and attended an opioid symposium on September 8th. She said the Board recently hired Keller Rohrback LLC to represent Mohave County in the multi-jurisdictional opioid epidemic litigation. She said the Colorado River BMX track located by the Boys and Girls' Club was opened and now offered racing almost every week. She said the



Supervisors voted to implement the new Public Lands and Recreation Commission, and said they supported the Bullhead City federal land exchange act and resolution.

Senator Sonny Borrelli provided a brief update on upcoming 2018 election issues. He said he had been fighting to maintain the second amendment and to maintain the current HURF funding with no more sweeps. He said it had been a pleasure over the last six years to have productive dialogue with the Legislature, Tri-City Council, and county officials as this had made a tremendous impact on the area.



City of

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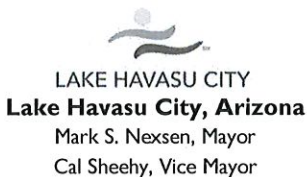
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7. Legislative Update from the League of Arizona Cities and Towns

Ken Strobeck, Executive Director, said it was a pleasure to have Mayor Nexsen as a member of their Executive Committee for the past seven years. He said they look forward to working with Mayor Brady as their new committee member. He said the newly enacted vehicle registration fee was statutorily dedicated to DPS which took care of the need to have HURF sweeps, and said it was up to the Legislature to maintain the commitment. He said Governor Ducey announced in a recent public meeting that there would be no HURF sweeps next year. He said the League was opposed to Proposition 126, as it would have potential devastating effects on all levels of government. He said the proposed constitutional amendment provided for no taxation on any services, gross receipts of sales, or gross income derived from any services performed in the State of Arizona. He said this would apply to construction sales tax, utility tax, restaurant tax, residential rental tax, and hotel tax which were all related to services. He said this bill was fundamentally unfair. He encouraged elected officials to make their communities aware of this.

Mr. Strobeck said the Wayfair decision basically undid the U. S. Supreme Court Quill decision from 1992 that stated sales tax could not be charged on an online transaction unless the seller had a physical location within the same state. He said the Quill decision was completely overturned which gave the states authority to impose TPT and set their own economic thresholds. He said the state's TPT nexus was not in statute, but the authority to have TPT was in statute and the DOR created rules that applied to collecting TPT. He said there were two ways that Arizona could go: 1) through legislation or 2) through an update to the DOR's administrative rules. He said either way would work, but it would be easier to update the DOR's rules. He said unfortunately cities would not see a huge increase in TPT revenue because the largest online retailers were already paying taxes to state and local jurisdictions. He said 83 of the top 100 sellers in the state were already paying TPT.

Mr. Strobeck said the Municipal Tax Code Commission administered the model city tax code. He said the League made recommendations as to who those members were. He said they sent three nominees to the Governor's office to fill vacancies, as the seats needed to be fully filled in order to for the implementation of the Wayfair



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changes and potential marijuana tax changes. He said after many months, they had a new IGA with the Department of Revenue dealing with collection services, confidentiality, and license applications.



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Mr. Strobeck said there might be some new legislation regarding officer poaching related to new hires at smaller agencies that were hired away. He said the proposed legislation would require partial reimbursement to the original agency if their officers were hired away during their first three years of employment.

Mr. Strobeck said the Municipal Policy Statement annual publication would be printed after the election and distributed to the cities and towns. He said they held a symposium with about 20 legislators and candidates to demonstrate how the League operated and how cities and towns operated, and said it was a successful event.

8. Arizona Department of Transportation (ADOT) Update

Alvin Stump, Northwest District Engineer, said they were kicking off some median projects in Bullhead City in the near future. He said the Kiowa project in Lake Havasu City was re-bid and said more information would be coming out soon. He said \$25 million was advocated for minor surface street repairs, but he did not know which districts would receive it first.

Mayor Brady asked about the status of the roundabout at Highway 95/Aztec in Fort Mohave. Mr. Stump said he should be hearing something soon.

9. Update from Jamie Kelley, the new General Counsel for the Mohave County Water Authority

Jamie Kelley said County Supervisor Wakimoto had worked to build relationships throughout the state that would be important going forward. She said the area was going to be a target because there was simply not enough water in the state. She said central Arizona was going to look everywhere to get water. She said the Upper Basin and Lower Basin agreements were posted on the Bureau of Reclamation's website on October 10th. She said the agreements basically indicated they needed to work together to protect the Colorado River system. She said the Upper Basin agreement included the Colorado River Storage Project Act that set forth a specific storage target level for Lake Powell. She explained the Lower Basin agreement and the Lower Basin Drought Contingency Operation. She invited anyone with questions to send an email to Jamie@jkelleylaw.com.



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10. Mayor's Reports - Individual City Updates

Mayor Nexsen said Lake Havasu City would hold the annual Run to the Sun classic car event this weekend. He invited everyone to join them during the visit of the Lord Mayor of London with Governor Ducey to celebrate the 50th Anniversary of the purchase of the London Bridge. He said there would be an interview style event and a historic sheep drive that would take place at 11:00 a.m. over the bridge. He said a luncheon would be held immediately after the sheep drive. He said the Rural Transportation Summit and London Bridge Days would be held in Lake Havasu City.

Vice Mayor Jen Miles invited everyone to visit Downtown Kingman. She said so much was happening there with new shops and restaurants. She said an amazing world class mural would be painted on the back of the Beale Street Theater. She said exciting things were happening in the Kingman region as well as the airport. She said representatives would attend the Transportation Summit in Lake Havasu City.

Mayor Brady said the Bullhead City River Regatta took place in August with approximately 10,000 attendees. He said the Council voted to hold the event again next year with a cap of 18,000 participants. He said they were very happy with Marnell Gaming and the way the event was run. He said they were still fighting EPCOR. He said Council Member Clark, City Manager Cotter, and he visited the City of Edmonton, Canada, and met with EPCOR executives. He said they were now waiting for the Arizona Corporation Commission to make a decision. He said the measure for the city to take over the water company was pulled off the November ballot, but they expected to resume that fight in the future. He said the new Laughlin Ranch Blvd. extension that ran from Bullhead Parkway to Highway 95 at Community Park was completed. He said they travelled to Washington, D. C. to discuss a legislative land exchange rather than going through the long process with the Bureau of Land Management (BLM). He said they wanted to exchange the land donated to the city by Don Laughlin for the BLM land at Community Park. He said they hoped the bill would be passed by the end of the year. He said with the help of Senator Borelli and the League of Arizona Cities and Towns, the city now had electronic billboards. He said the signs beautified the city, made it more business friendly; and said the city collected revenue from the signs.

Mayor Brady presented gift baskets to outgoing Mayors Nexsen and Gates.

11. Discussion and possible action regarding Future Agenda Items

There was no discussion under this item.

Chairman Mayor Brady adjourned the meeting at 11:58 a.m.