



APPROVED 01/17/2024

THREE CITIES, ONE VOICE.

MEETING MINUTES

Regular Meeting of the Tri-City Council

Tuesday, October 24, 2023, at 10:00 a.m.

Kingman City Council Chambers

310 N. 4th Street Kingman, AZ 86401



**City of
Bullhead City, Arizona**

Steve D'Amico, Mayor
Rodney Head, Vice Mayor



Lake Havasu City, Arizona

Cal Sheehy, Mayor
David Lane, Vice Mayor



City of Kingman, Arizona

Ken Watkins, Mayor
Cherish Sammel, Vice Mayor

CALL TO ORDER

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

- 1. Pledge of Allegiance**
Mayor Sheehy led in the Pledge of Allegiance.
- 2. Roll Call and Introduction of Special Guests**
(*Present via remote conferencing)

Lake Havasu City:

Council Present

Cal Sheehy, Mayor
David Lane, Vice Mayor
Nancy Campbell, Councilmember
Jeni Coke, Councilmember*
Michele Lin, Councilmember
Cameron Moses, Councilmember

Staff Present

Jess Knudson, City Manager
Anthony Kozlowski, Assistant to the City Manager
Kelly Williams, City Clerk
Shannon Davis, City Clerk Assistant*
Jerri Bracamonte, Executive Assistant*

Bullhead City:

Council Present

Steve D'Amico, Mayor
Dan Alfonzo, Councilmember
Grace Hecht, Councilmember
Juan Lizarraga, Councilmember

Staff Present

Edigar Kajirwa, Assistant to the City Manager
Travis Pruitt, Assistant to the City Manager
Sue Stein, City Clerk



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City of Kingman:

Council Present

Ken Watkins, Mayor
Cherish Sammeli, Vice Mayor
Jamie Scott Stehly, Councilmember

Staff Present

Grady Miller, Interim City Manager
Carl Cooper, City Attorney
Annie Meredith, City Clerk
Tanya Ferguson, Deputy City Clerk

Others Present

Tom Belshe, Executive Director Arizona League of Cities and Towns
Jamie Kelley, Mohave County Water Authority
Penny Pew, Representative Congressman Paul Gosar's Office
Kevin Adam, Rural Transportation*
Michelle Beggs, Arizona Department of Transportation
Todd Steinberger, Arizona Department of Transportation
David Diaz, Lake Havasu City Planning & Zoning Commissioner
SueAnn Mello, Mohave County Treasurer
Lisa Krueger *

3. Call to the Public

Chairman Watkins opened the call to the public. There being no comments, he closed the call to the public.

4. Approval of the Minutes from the July 19, 2023, Tri-City Council Meeting

Mayor D'Amico moved to approve the July 19, 2023, Tri-City Council Meeting Minutes. Mayor Sheehy seconded and it carried unanimously.

5. Updates from Mohave County Board of Supervisors and other Elected Officials

Chairman Watkins noted that there were no Supervisors present.

Mohave County Treasurer SueAnn Mello let the group know that tax bills have gone out.

Ms. Penny Pew, Representative from Congressman Paul Gosar's Office, shared that they had their academy day on the 16th and that they had about 100 kids show up. She said that one of them was from Kingman. She said that the Congressman sponsored a resolution condemning Hamas and the loss in Israel. She shared that he sent a letter to the Secretary of the VA, questioning the guidelines that are being provided to the staff at the VA regarding reproductive health. She said that he has also requested an investigation on the breach of the Mexico water treaty from Secretary Holland. She shared some background on the treaty. She said that inflation continues to rise and that on average they are finding \$709 dollars a month more for families. She said that she appreciates everyone and that there is a Speaker vote going on right now. She said that they did have to postpone the social security roundtable that was scheduled for Friday and it has been rescheduled for November 9th.



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6. Legislative Update - League of Arizona Cities and Towns

Tom Belshe, Executive Director of the League of Arizona Cities and Towns addressed the Council. He shared that they have been busy and that he has a few things to report on. He thanked the Council for attending the League Conference, and noted that they had their largest turn out this year. He said that they are anticipating another interesting session. He shared that they knew that the State budget was going to be tight and that it was just reported that there will be a \$400 million-dollar deficit. He said that the State has a significant surplus, but that they will be looking at the City revenue sources. He shared that the League will be working to protect two revenue types, the 18% on shared revenue and the food tax. He said that they will also continue to look for replacement revenue for the residential rental tax and shared that it cost Cities and Towns across the state \$230 million-dollars. He said that they will also be looking at housing and that the League has several resolutions on housing and are waiting to see what kind of reduction in nuisances happen before they try to make any additional changes. He said that 22.7% of all units in Sedona are short term rentals and that makes people not be able to recognize their neighborhoods anymore. He said that it not only effects residents, but businesses as well. He shared that they will work with Legislators that are sympathetic to those issues, to get legislation passed. He shared that another item raising issues are sober living homes. He said that they are not licensed by the state and have a lot of people unsupervised, that are supposed to be receiving treatment. He said that the problem is that neighbors think that the resolution is to not have any more apartments or condos. He shared that they are trying to work with the Department of Human Services to find an enforcement solution through licensing. He said that they are working with the Governor's office on that as well. He shared that the League will be sending out some best practices for Cities facing that issue as well. He said that another topic is housing and zoning. He shared that they had legislation that they worked out with a legislator, but he is no longer there. He said that casitas, tiny homes, and accessory dwelling units on properties are an issue. He shared that the League is trying to decide if they want to be proactive on what was negotiated last year. He said that they have an election coming up and that they want to be sure there is something on the books that they can work with. He shared that they are excited to be working with a group called Home AZ who don't believe that the League should try to legislate these issues. He said that they met with them and some cities to talk about the things they can do to make the process a little easier.



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He said that SB1103 allows Cities and Towns to do more administratively, such as permitting, site plans, and plats. He shared that there are four sample ordinances that Cities and Towns can adopt if they would like to. He said that they also talked about what developers can do to prevent the back and forth with getting things approved. He shared that they will be reporting on specifics as they continue to work in that area. He shared that they are expecting to have some other big changes to come, to include the current Speaker of the House considering a run for Congress. He said that the help they receive from Cities and Towns, especially this group, is greatly appreciated.

Chairman Watkins thanked Mr. Belshe for all that the League does for Cities.

Mr. Belshe encouraged the Council to have City Managers and staff attend their weekly Monday legislative calls.



Lake Havasu City, Arizona

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7. Arizona Department of Transportation Update

Mr. Todd Steinberger, Assistant District Engineer-Development for ADOT, gave a update on current construction projects. He said that they currently have the Walnut Creek to Holy Moses pavement project ongoing with bridge repair and guard rail improvements. He said that the East Kingman TI westbound bridge is in winter shutdown currently. He stated the North of Nothing project on US 93 corridor, they are doing guardrail upgrades and pavement repairs. He shared that they have the new Willow Creek Bridge East on I-40 under construction, two SR85 paving projects in Lake Havasu City and Bullhead City, and on SR68 from Bullhead City to Golden Valley minor pavement surface project. He shared that they are starting a pavement preservation project outside of Wikieup and then right after the first of the year, they will be advertising for a mill and fill project. He said that the West Kingman TI is slated to advertise right after the first of the year. He said that the Rancho Santa Fe and Kingman Crossing TI projects that they are working on with the City of Kingman will go to advertise at the end of this fiscal year.

Chairman Watkins asked how long the West Beale Street bypass bid process will be and when he thinks they will be breaking ground.

Mr. Steinberger said about a two-month advertisement, a month to review bids, and a month later start construction.



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Mayor D'Amico asked about when SR95 in Bullhead will be starting and finishing.

Mr. Steinberger said that the actual start time will be the end of October beginning of November and wrapping up in March.



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8. Rural Transportation Update - Kevin Adam

Mr. Kevin Adam, Legislative Liaison with the Rural Transportation Advocacy Council shared that they just wrapped up the Rural Transportation Summit last week. He said that they provided some valuable insights in the state transportation infrastructure. He shared that they also made their case to address the under investment with transportation. He shared that Councilmember Nancy Campbell from Lake Havasu City did a good job highlighting some of the projects that they are seeking funding for. He said that there are some challenges going into the next year, and that whenever there is a projected structural deficit, that revenue sharing is always at risk. He stated that HURF has always been a very big target. He said that it is costly to develop and maintain the infrastructure around the state. He said that as far as the RTAC agenda for next year, that they have compiled a list of priority projects from around the state, in case there is some one-time funding available. He said that it is also important to continue the dialogue on infrastructure projects. He shared that when they are going through difficult times and have a projected deficit, that by putting priority projects out there and giving them a good visual on what isn't being built and what won't be completed, will be helpful. He said that there were a couple of years where HURF monies were directed away from ADOT. He said that they will continue to make the case and provide some visibility to the State infrastructure. He said that they also want to keep the Arizona Smart Program moving forward. He explained what the Smart Program is about and how it will benefit local communities. He said that is an overview of where things are, and that if the League has to go through a process to figure out how to address gaps in the budget, that shared revenues are always a target.

Travis Pruitt asked about the Smart funding and if Mr. Adam projects that increasing this coming year.

Mr. Adam said that currently, over the last two years there has been \$62.5 million appropriated. He said that this is a new program and that historically a lot of local governments haven't pursued federal funding. He said that there are currently 5 pots and the funding is distributed between them. He said that it isn't a situation where the demand isn't there, it just appears to be with the larger rural communities. He said that they don't want unused balances building, so they will be looking at reforms. He shared that there is roughly half of the \$62.5 million still available. He said that there will be an effort to increase and provide another appropriation to that program.



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Chairman Watkins asked what the population guideline is on the smaller communities.

Mr. Adam explained that there is a pot for populations under 100k and one for over 100k as well as municipalities where it is 10k.



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9. Mohave County Water Authority Update

Jamie Kelley, General Counsel for the Mohave County Water Authority addressed the Council. She said that progress has been slow, but that has changed. She shared that last week the Bureau of Reclamation released their scoping report and that it published in the National Register. She shared that the Bureau received 24,000 comments on the scoping report. She said that there were about 318 substantively unique comment letters and that the rest were made up of forms, duplicate submissions, and plus forms. She shared that the comments identified 10 themes. She said that the scoping report also set forth the proposed Federal action and the purpose and need of that action, and quoted from the report. She shared that the need for the proposed federal action is stated that the Secretary is required to coordinate the operations of all Colorado River Reservoirs. She said there is a widely acknowledged imbalance on water supply and demand. She said that they want to provide for expanded and more innovative uses of conservation and address tribal concerns on the Colorado River Basin management. She said that the tribes will have an active part in helping to develop the new guidelines. She shared that the purpose for the proposed federal action is to update and expand the management guidelines of the Colorado River system. She said that they are hoping for some opportunities for water and to provide flexibility to build resilience to address the future needs and growth supported by Colorado River water. She said that from the scoping report, they are going to develop a reasonable number and range of alternative options and that there will be an opportunity for the Mohave County Water Authority to provide input. She shared that the published timeline states it will be released in December 2024. She said that they plan to release the EIS in late 2025, early 2026. She shared that the Bureau will deploy a web tool shortly to help explore options and scenarios. She said that the other activity happening on the river is the anticipated release of the draft SEIS to the 2007 guidelines. She said that it was released earlier this year and modeled three alternatives. She said that she did not prepare a groundwater subcommittee report. She said that it has been a rocky go and that progress has been slow.



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She shared that conversations have been very heated. She said that they have been able to agree on broad concepts of what they think the groundwater regulations should look like. She said that what has been agreed to is some type of conservation across the basin. She shared that they just finished discussing council duties, council composition and council creation. She said that the committee overall thinks that it should be by way of appointment.

Jess Knudson, Lake Havasu City Manager said that the legislative session is fast approaching and asked if they should be looking at something at the state level that could put them in a better situation.

Ms. Kelley said that MCAW hopes to introduce a bill to amended the notice of intent to drill a well. She said that right now all you have to do is file a notice of intent to ADWR and they have a short time frame to turn around that permit. She shared that all water without regard to whether it is an exempt well or not exempt well, is chargeable against Arizona's water entitlement. She said that for Mohave and LaPaz Counties, any water used under Colorado River water is charged against the applicable section 5 contract holders service area. She said that she will give an example of MVIDD, and said that they have approximately 2,000 of these exempt wells. She explained the process to drill a well. She said that they don't know of any other legislation and asked if Mr. Knudson had any suggestions.

Mr. Knudson said he doesn't have any suggestions, just wanted to note that the session is approaching and that they have just had some conversations about water transfers.

Ms. Kelley said that the water transfer bill would be appropriate. She said that Senator Borrelli introduces it annually and it never gets a hearing. She said that it will constantly be opposed by the Central Arizona Water Conservation District, due to the verbiage in their contract. She said that they need to look at as they go into the post 2026 guidelines and shortages is a shortage sharing agreement. She said that it is kind of complicated and that they are not going to do away with their ability to store. She shared that it isn't fair that central Arizona cities can store water while we are forced to cut our use.

Chairman Watkins asked how many miles off of the river it effects when they drill wells.



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Ms. Kelley said that they are concerned with wells that are drilled in the defined service areas in the Section 5 contracts. She shared that the aquifer in Colorado River accounting surface is quite large and the State of Arizona hasn't accepted that, but Bullhead City and Lake Havasu City are bound by their contracts. She said that if they drill outside of the service area and it is charged against Arizona's entitlement, then it will reduce the amount of water the Central Arizona Water Conservation District can accept delivery as.

Penny Pew asked who is going to carry the legislation at the State for the well.

Ms. Kelly said that they are meeting with local representatives and Senators tomorrow to discuss that.

Chairman Watkins said that Ms. Kelley mentioned that Senator Borrelli introduces it every year and it gets shot down.

Ms. Kelley said that the water transfer bill has been for 3-4 years in a row.

Mayor Sheehy said that Senator Borrelli released a letter, so that may change some of the dynamics of how the committees are and it might be their best change. He shared that the Senator's actions last week may force a hearing.



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10. Mayors' Reports – City Updates

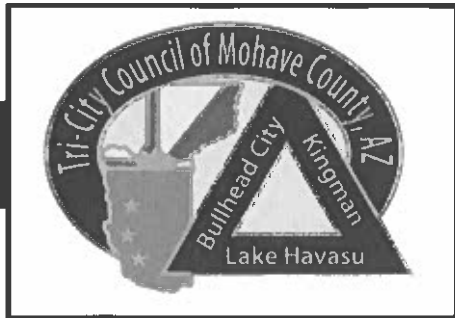
Mayor D'Amico reported that he and Mr. Pruitt will be leaving for Washington DC on November 12th to meet with BOR and multiple Senators and Congressmen to bring back a \$3 million-dollar BOR grant for Bullhead City. He said that they have a good shot at getting that money and that it will be used for a state-of-the-art water filtration system and existing infrastructure. He said that they are also working on one of the biggest economic development projects in Bullhead City history.



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Mayor Sheehy thanked Mr. Belshe for being here. He said that they are coming off of Arizona Cities and Towns week and that it is important that they talk about local control. He shared that local government control is the most effective. He wanted to recognize the contributions from Don Laughlin who passed away this last weekend. He shared that Mr. Laughlin helped to shape Bullhead City, Kingman, and Lake Havasu City. He said that in Lake Havasu they have some exciting things going on. He shared that they will be talking at their meeting tonight about Site 6, a free boat launch facility and fishing pier. He said that it is what started Lake Havasu City, and that Mr. McCulloch went to Site 6 first. He said that at their last council meeting they awarded a bid to re-do the multi-use walking path around their island.



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He shared that they also had a large Arizona Trust land sale on the island that was purchased by a developer out of Scottsdale that is looking at doing a development project. He said that they are doing other developments in the State of Arizona as well. He shared that they are getting close to opening up their first court house in Lake Havasu City in mid-December. He said that they are doing a lot of road work in Lake Havasu City right now. He shared that it is also event season in Lake Havasu and that you can see all of their events on golakehavasu.com, and that their next one will be the London Bridge Days parade.



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Chairman Watkins recognized Interim City Manager Grady miller. He said that last week we had our 17th Annual Walk Away from Drugs event. He said that he wanted to recognize the Certificate of Appreciation from Congressman Gosar's office. He said that September and October have been busy with events in Kingman such as the Route 66 Fest and Andy Devine Days Rodeo and Parade. He said that as of last week, both interchange plans are at 95% stage and have been submitted to ADOT. He shared that one block of the downtown streetscape project has been completed and that they are working on the second block. He encouraged them to go down and check it out. He said that it should be completely done in about 6 months. He said that they appreciate all of the work that is going into that. He thanked the City Clerk and Deputy Clerk for all their hard work.



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ADJOURN- Chairman Watkins adjourned the meeting at 11:11 a.m.



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