**MAGMA FLOOD CONTROL DISTRICT**

**MINUTES OF THE**

**TUESDAY, JUNE 3, 2014 MEETING**

The Informal Public Meeting was called to order at 4:00 p.m. at the Florence Unified School District Anthem K-8 Choir Room, 2700 N. Anthem Way, Florence, Arizona. The following members of the public were present, Ruth Harrison and Andrea Huttle. Kent Pace gave an overview of the status of the Magma Flood Control District and the current Dam Rehabilitation project. Pace also discussed the Agenda items with the public as set forth below. This discussion lasted from 4:00 p.m. to 4:20 p.m.

The regular Meeting was called to order by President Vinson Dobson at 4:30 p.m. Appearing telephonically were President Dobson and Director Wayne Dames. The meeting was properly posted within the boundaries of the District and a phone number of 1-800-920-7487 was provided for individuals residing within and without the District to appear telephonically for the meeting. Present at the Meeting were Kent Pace (General Manager) and Stephen Cooper (District Counsel). There were no public members present and introductions were not necessary.

General Manager Pace gave a brief update of the status of District business which had

been previously discussed during the Public portion of the Meeting and noted:

* Federal funding for the project stands at one hundred (100%) percent reimbursement, with no outstanding claims for reimbursement.

* The design plans for the MFRS central filter replacement have been submitted to regulatory agencies for review at the one hundred (100%) percent stage. It is believed that MFCD will receive comments from ADWR and NRCS by the end of June. Engineers will then work to address the comments and issue final plans shortly thereafter.
* The lower Magma channel plans are at the ninety (90%) percent stage. The District’s engineers are addressing review comments and plan to issue the next stage of plans in July/August timeframe.
* FY 2014-2015 Budget and Tax Levy. The proposed budget is $9,988,794 dollars. The tax levy is proposed to be $2.3669 with an approved tax levy of $1,200,000.00 dollars. It was noted the 2014-2015 tax rate is a reduction of approximately 21% from Fiscal Year 2013-2014 due to growth in assessed valuation in the District.

The next item of business was consideration of the approval of the Minutes of the

Regular and Executive Board Minutes of March 4, 2014. A motion was made by Vinson

Dobson to approve the Minutes and Wayne Dames seconded the motion thereafter, the Minutes

were approved.

The next item was the calling for an Executive Session for legal matters, a motion was

made by Board Member Dames to enter into Executive Session and President Dobson seconded

the motion thereafter it was carried in the Executive Session that lasted from 4:36 p.m. to 5:15

p.m.

The next item of business was a discussion concerning the authorization to allow the General Manager to utilize either Design-Bid-Build or Construction Manager at Risk (CMAR) project delivery methods for 1) the MFRS Rehabilitation Project Central Filter Replacement, and 2) the Rehabilitation of the Lower Magma Channel. General Manager Pace stated he would be meeting with Maricopa County Flood Control District to discuss their experience with CMAR contracts to determine whether this type of construction agreement would be beneficial to the District. A motion was made by Board Member Dames and seconded by President Dobson to allow General Manger Pace to utilize either Design-Bid-Build or Construction Manager at Risk (CMAR) project delivery methods for 1) the MFRS Rehabilitation Project Central Filter Replacement, and 2) the Rehabilitation of the Lower Magma Channel. This matter was approved by the Board.

The next item of business was a discussion concerning Resolution 2014-06-01

concerning Board Member Indemnification Agreements. This matter was previously discussed at

the March 30, 2007 and approved at the July 19, 2007 Board Meeting. President Pace gave a

brief presentation of the reasons of indemnity agreements for the Board of Directors. A motion

by Board Member Dames was made to approve the Resolution 2014-06-01 and it was seconded

by President Dobson. Thereafter the motion was passed.

The next item of business was to approve a combined Resolution 2014-06-02 to allow for Pinal County Treasurer to purchase, hold, and sell interest bearing securities (as authorized by law) on behalf of the District, as well as to authorize General Manager Pace and Assistant Secretary Larry Pfeiffer to issue warrants and to complete other banking functions on behalf of the District. A motion was made by Board Member Dames to approve this Resolution, and was seconded by President Dobson. Thereafter the motion was unanimously approved.

The next item of business was the approval of the meetings schedule for the District. It

was proposed the District hold the following scheduled meetings for FY 2014-2015:

September 2, 2014

December 2, 2014

March 3, 2015

June 2, 2015

It was further noted these meetings would begin at 4:00 p.m. at the Florence Unified

School District Anthem K-8 Choir Room where the District now holds its meetings. Board

Member Dames moved to approve the proposed meeting schedule and was seconded by

President Dobson and thereafter it was approved.

The next item of business was discussion of the budget for fiscal year 2014-2015. General Manager Pace noted the proposed budget consisted of $9,988,794 dollars in revenues and $9,978,794.00 dollars in expenditures. It was pointed out that both the revenue and

expenditure amounts were based upon a scenario in which MFCD actually received all possible funding from NRCS to complete the Central Filter Project and/or Lower Magma Channel. MFCD’s expenses and disbursements would be limited to the actual revenues it received (or the District’s actual cash position) as detailed within the proposed budget form. A motion was made by President Dobson and seconded by Board Member Dames to approve the budget. Thereafter, this matter was unanimously approved.

The next item of business was the discussion of the 2014-2015 tax levy. The Board Members discussed the proposed tax levy as set forth above and a motion was made by Board Member Dames and seconded by President Dobson to issue a tax levy which would call for property tax revenues in the District to be $1,200,000.00 dollars for fiscal year 2014-2015 which would be an approximate tax rate of 2.37%. A motion was made by Board Member Dames and seconded by President Dobson to approve the tax levy. Thereafter, this matter was unanimously approved.

The next item of business was Board reports. There were no reports to come before the

Board.

The next item of business was General Manager reports. There were no other reports.

The next item of business was other business which came before the Board. There was

no items of other business.

The next item of business was adjournment, the meeting was adjourned at 5:24 p.m.

**RESPECTULLY SUBMITTED** this \_\_\_\_\_ day of June, 2014.

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**STEPHEN R. COOPER, Attorney for**

**MAGMA FLOOD CONTROL DISTRICT**