



IRRIGATION & ELECTRICAL DISTRICTS ASSOCIATION OF ARIZONA, INC.

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GLEN VORTHERMS – PRESIDENT ROBERT VANHOFWEGEN – VICE-PRESIDENT NOEL CARTER – SECRETARY DONOVAN NEESE – TREASURER BRIAN FICKETT – AT-LARGE ELSTON GRUBAUGH – AT-LARGE

IEDA BOARD WORK SESSION MEETING MINUTES - Draft

March 26, 2024 – 12:00 PM

A meeting of the Board of Directors of the Irrigation & Electrical Districts Association of Arizona, Inc. (“IEDA”) was held on March 26th, 2024.

The following IEDA Members attended the meeting:

Noel Carter – BWCDD (Virtual)
Heather Cole – Arizona Power Authority (Virtual)
Sheri Farag – SRP
Brian Fickett – TOUA
Jordy Fuentes – Arizona Power Authority
Ed Gerak - IEDA Executive Director
Elston Grubaugh – Wellton-Mohawk (Virtual)
Daniel Herder – Clark-Hill
Taylor Howerter – RID (Virtual)
Leslie James - CREDA
DeWayne Justice – ED7 (Virtual)
Donovan Neese – RID
Daniel Pritchard – KR Saline & Associates (Virtual)
Ken Saline – KR Saline & Associates (Virtual)
Scott Saline – TID, HVPD, Aguilla
Russell Smoldon – B3 Strategies
Sheryl Sweeney, Clark-Hill (Virtual)
Lori Tatiano – SRP (Virtual)
Shelton Van Allen – ED6 (Virtual)
Glen Vortherms – MWD, IEDA Board President
Jeff Woner - Ocotillo

President Vortherms called the meeting to order at 12:04 P.M.

President Vortherms moved Leslie James up in the agenda. Leslie provided an overview of CREDA, its mission, 2024 strategic plan, scope of CRSP customers, an overview of the Basin Fund and how the activities like the Apportionment MOA has contributed to rate savings over the years. A focused discussion was held regarding the LTEMP DSEIS, its possible impacts and shortcomings with the document. IEDA thanked Leslie for her presentation.

Based on a roll call, a quorum was established.

Moving into the board actions, a motion was requested for approval of the minutes for the January 5th, 2024, Annual Meeting. DeWayne Justice made a motion to approve the minutes. Sheri Farag seconded the motion. During discussion, Donovan requested a modification to the minutes. Dewayne and Sheri accepted the friendly amendment. A vote was called for and the motion passed.

A motion was requested for approval of the minutes for the February 8th, 2024, board meeting. Donovan Neese made a motion to approve the minutes. Dewayne Justice seconded the motion. A vote was called for and the motion passed.

Daniel Herder discussed that with IEDA in the process of updating its bylaws, it would be a good time to update the delegates/alternates as well. President Vortherms informed the group that a designation form was included in the board packet. It is important to either submit the form or convey the information to the Executive Director and that the deadline was April 12th.

Due to a conflict with the May 21st meeting, an alternate date was requested. The meeting was moved to May 28th, with the time to be determined by the Executive Director to accommodate as many people to attend.

Mr. Gerak informed the group that it was appropriation season and if they thought that IEDA should file for any requests or if individual members needed any help submitting. One option that was mentioned was the Hoover Waste Site. Russell Smoldon mentioned that Ciscomani's requests are due by March 29th. Mr. Gerak asked that any members interested in appropriations follow up with him.

Mr. Gerak requested the group's thoughts on a possible joint meeting with AMPUA to discuss 2025 legislative initiatives. Dewayne Justice did not support the idea. Hearing no other comments, the group moved to the President's Prerogative.

President Vortherms explained to the group a new addition to the agenda, the President's Prerogative. It is envisioned as an engagement tool to discuss the most current issue(s) and solicit direction from the group. The issue presented revolved around the LTEMP SEIS. Given that comments were due on March 25th, this item was still relevant but served as a feedback opportunity and process refinement. The crux of the feedback was that letters matter and that support letters from members can make a big difference. The consensus was that Mr. Gerak should help draft support letters in conjunction with IEDA's individual letter for future issues.

Treasurer Neese provided the finance report. On March 1st, he and Ed went to BMO Harris to discuss options to improve IEDA's savings. Unfortunately, short-term CD's (less than 1 year) were terrible, so the ladder structure CD proposal wouldn't have worked to our advantage. Based on a cash flow model, we determined that the best course of action for us was to invest \$150K in a 13-month CD at 4.879 APR. The the remaining funds (\$309,652.35) were put in a money market account. BMO has an interesting structure where as long as you keep sufficient reserves in your accounts, you receive a special interest rate (2.995%) for the money in the money market. The total of the accounts is tabulated for determining the money market interest rate. So even though we have \$150K in a CD, it counts towards our total reserves. The accounts have the ability to make 6 transfers a month, while we are only averaging about 4 to 5 checks per month. Money from the money market will be moved to the checking account to pay the bills.

Mr. Gerak provided an update on federal issues. He was happy to report that the Help Hoover Dam Act (S. 4016/H.R. 7776) was introduced last week. The press releases highlighting the bills came out during the meeting. Secretary Granholm stated that LNG export permit pause would be resolved by the end of 2024. This could be a big issue in Pennsylvania, a toss-up state.

After a year of negotiations and four continuing resolutions, Congress passed the last group of appropriation bills. The federal government is now funded to the end of September. The total budget amount is \$1.649 trillion.

In the Senate, the race for Senate President is down to two Johns (Coryn and Thume) with Senator Barrasso removing himself from the race to secure the Whip (No. 2) spot.

The presidential election is set for the republican and democratic ticket. Nikki Haley suspended her campaign after Super Tuesday. Even though she won Vermont, her lack of a stronger showing was enough for her to bow out. Super Tuesday had some interesting issues for President Biden, as he lost the American Samoa territory and had some double digit totals of noncommitted in some states.

Robert F. Kennedy Jr. announced his V.P. selection, Nichole Shanahan, a young lawyer from the Bay Area. Due to rules for independents to be on the ballot, RFK Jr. had to make his announcement today to comply with the requirements. He is being considered for the Libertarian candidate, which would put him on all 50 ballots.

Russell Smoldon provided a report to the members of all the activity going on at the state legislature. It was the 79th day of the legislative session and 1,629 bills have been introduced. Only 16 bills have been signed so far, and two vetoed. Multiple members have resigned (7) or been expelled this session. Budget negotiations are moving slowly, due to the revenue shortfall. Republicans are estimating a \$2.2B shortfall over the next two years. Russell warned of possible fund sweeps. He also covered multiple water & power bills affecting the organization.

Noel Carter provided a report on the Water Committee, focusing on some state water bills that he is concerned with. Mr. Gerak provided a quick update on hydrology, an update on the Post-2026 situation, and the Navajo Nation water rights settlement. Gila Bend continues to be a target over the groundwater basin concerns. Senator Kerr's 1221 has passed out of committee, but it is believed that amendments will occur on the floor to merge Senator Kerr's bill with the Governor's proposal.

The Power Committee updated the board on recent issues of concern. These included the CRSP-SPP/Pseudo-Tie, the previously discussed LTEMP SEIS and the Parker-Davis Remarketing effort.

In addition to the aforementioned power issues, Mr. Gerak highlighted the Senate FERC hearing, the increase in geothermal and that Kathy McMorris Rogers will not be running for reelection. She has long been the most ardent supporter of hydropower, and she will be missed.

The meeting was adjourned at 2:25 P.M.