

**GOVERNING BOARD OF  
RIM COUNTRY EDUCATIONAL ALLIANCE (RCEA)  
SPECIAL MEETING AGENDA**

**431 S BEELINE HWY #1, PAYSON, AZ 85541**

**Zoom Meeting ID-886 6164 8356 Password-125027**

**NOVEMBER 24, 2021 – 12:00 P.M.**

***Due to the potential length of this meeting, the RCEA may recess  
and reconvene at the time and date announced.***

Pursuant to A.R.S., § 38-431.02 and § 38-431.05 notice is hereby given to the members of the RCEA and to the General Public that the Rim Country Educational Alliance plans to hold the above meeting.

The RCEA, a Separate Legal Entity Public Body, may vote to enter into an Executive Session on any matter listed on the Agenda for an authorized purpose:

Pursuant to A.R.S. § 38-431(A)(3) for discussion or consultation for legal advice with the attorney or attorneys of the public body.

Pursuant to A.R.S. § 38-431(A)(4) for discussion or consultation with the attorney of the public body in order to consider its position and instructs its attorneys regarding the public body's position regarding contracts that are subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation.

Pursuant to A.R.S. § 38-431(A)(7) for discussion or consultation with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property.

***Any discussion, materials and information discussed at any Executive Session and the minutes thereof shall be kept confidential as provided by A.R.S. § 38-431(B)(1-4).***

The Chair reserves the right, with the consent of the governing board, to take items on the agenda out of order.

Persons with a disability may request an accommodation such as a sign language interpreter by contacting Richard Richey, RCEA Board Secretary, at 928-472-2588. Requests should be made early enough to allow time to arrange the accommodation.

**1. CALL TO ORDER:**

**2. ROLL CALL:**

BOARD MEMBER	PRESENT	BOARD MEMBER	PRESENT
Jon Cline		Ted Pettet	
Larry Sugarman		Scott Nossek	
Richard Richey		Vern Leis	

### 3. CONSENT AGENDA

Items listed on the Consent Agenda may be enacted by one motion and one vote. If discussion is required by members of the governing body, the item will be removed from the Consent Agenda and will be considered separately.

- a. \*Minutes of October 14, 2021 Regular Meeting
- b. \*Treasurer's Cash Report as of October 12, 2021

### 4. EXECUTIVE SESSION

Pursuant to A.R.S. § 38-431.03 (A), upon a public majority of the members constituting a quorum, a public body may hold an Executive Session in accordance with statutory stated purposes. An Executive Session will be held pursuant to A.R.S. § 38-431.03 (A)(3)(4)(7) --Discussions or consultations for legal advice and/or with attorney(s) and/or designated representatives of the public body regarding possible legal action pursuant to charges leveled by town councilor.

Motion to proceed (or not) with legal proceedings based on advice of legal counsel in **executive session. If an executive session is called, a separate private call-in number will be provided to Board Members & counsel.**

### 5. AGENDA ITEMS FOR DISCUSSION

Consideration, discussion and possible action:

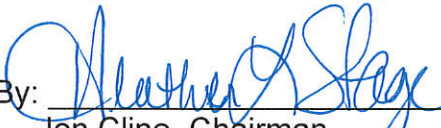
- a. Regarding RCEA Resolution 38, of the Chairman and the Board of Rim Country Educational Alliance ("RCEA"), a Separate Legal Entity ("SLE") and a political subdivision of the State of Arizona authorizing the RCEA chairman to pursue a sever and transfer of 50 acre/feet from the C.C. Cragin Northern Gila County reserved allocation through the Town of Payson or directly.


### 6. ADJOURNMENT

**Next Meeting Scheduled for: December 9, 2021**

### CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of the attached notice and agenda was published at [www.rimcountryeducationalalliance.org](http://www.rimcountryeducationalalliance.org) and duly posted at the following location: Bulletin Board located at 304 East Aero Drive, Payson, Arizona 85541 on the 23<sup>rd</sup> day of November 2021, in accordance with the Policies and Procedures of RCEA.

By:   
Jon Cline, Chairman  
*as approved by Chairman Jon Cline*

Posted:  
11/23/21 Date  
9:00AM Time  
 Initial

**GOVERNING BOARD OF  
RIM COUNTRY EDUCATIONAL ALLIANCE  
MINUTES OF REGULAR MEETING**

**OCTOBER 14, 2021**

**MINUTES OF THE REGULAR MEETING OF THE RIM COUNTRY EDUCATIONAL  
ALLIANCE HELD ON OCTOBER 14, 2021, AT 431 S BEELINE HWY. #1, PAYSON,  
ARIZONA, 85541**

**1. CALL TO ORDER**

Chairman Jon Cline called the meeting to order at 1:30 p.m.

**2. ROLL CALL**

BOARD MEMBER	PRESENT	BOARD MEMBER	PRESENT
Jon Cline	Present	Ted Pettet	Present
Larry Sugarman	Absent	Vern Leis	Absent
Rich Richey	Present	Scott Nossek	Present

OTHERS PRESENT: Kenny Evans, Hector Figueroa, Heather Stage, Jennifer Smith

**a. PUBLIC COMMENTS**

No public comments

**b. ANNOUNCEMENTS**

No Announcements

**3. CONSENT AGENDA**

Items listed on the Consent Agenda may be enacted by one motion and one vote. If discussion is required by members of the governing body, the item will be removed from the Consent Agenda and will be considered separately.

- a. \*Minutes of June 23, 2021, Regular Meeting
- b. \*Treasurer's Cash Report June 24, 2021-October 11, 2021

**Motion by Scott Nossek, seconded by Ted Pettet, to approve items on the Consent Agenda.**

**Motion carried 4-0**

**Aye: Jon Cline, Ted Pettet, Rich Richey, Scott Nossek**

**Nay: none**

**Abstained: none**

#### 4. MINUTES

Minutes were approved with the Consent Agenda. See Item 4.a., above.

#### 5. EXECUTIVE SESSION-None

#### 6. DISCUSSION AND/OR ACTION ITEMS-NONE

#### 7. NEW BUSINESS

Consideration, discussion and possible action: (items taken out of agenzized order)

A. Park Update & Tour-Report from RCEF, LLC Board President, Jennifer Smith.

B. Raw Water Line

**(B-1) Motion by Rich Richey, seconded by Ted Pettet to begin construction of the Raw Water Line. Motion carried unanimously.**

**Motion carried 4-0**

**Aye: Jon Cline, Ted Pettet, Rich Richey, Scott Nossek.**

**Nay: none**

**Abstained: none**

**(B-2) Motion by Richard Richey, seconded by Ted Pettet to direct and authorize Kenny Evans, on behalf of property owner RCEA and property manager RCEF, LLC, to begin negotiations with SRP & the Town of Payson on acquiring a sever & transfer agreement for additional C.C. Cragin water in excess of the Town of Payson's current allocation, to be used on the 253 acres of RCEA property.**

**Motion carried 4-0**

**Aye: Jon Cline, Ted Pettet, Rich Richey, Scott Nossek.**

**Nay: none**

**Abstained: none**

C. University Way Update

**Motion by Rich Richey, second by Scott Nossek to begin rough grading and drainage of University Way to prepare a route for the Raw Water Line. Motion carried unanimously.**

**Motion carried 4-0**

**Aye: Jon Cline, Ted Pettet, Rich Richey, Scott Nossek.**

**Nay: none**

**Abstained: none**

D. Vagrancy Concerns-Letter prepared by Legal Council requesting that the Town of Payson Police Department enforce the Trespass Statute on the 253 acres that are owned by RCEA, and managed by RCEF, LLC.

**8. REQUEST FOR THE PLACEMENT OF ITEMS OF A FUTURE AGENDA**

None

**9. CLAIMS**

Treasurer's Cash Report was approved with the Consent Agenda. See Item 4.b. above.

**10. ADJOURNMENT**

Next meeting is scheduled for December 9, 2021, at 1:30 p.m.

**Motion by Ted Pettet, seconded by Richard Richey, to adjourn the meeting.  
Motion carried unanimously.**

**Motion carried 4-0**

**Aye: Jon Cline, Ted Pettet, Rich Richey, Scott Nossek**

**Nay: none**

Meeting adjourned by Jon Cline at 2:52 p.m.

Respectfully submitted,

\_\_\_\_\_  
Rich Richey, Secretary

Posted:

Date: 10-18-21

Time: 11:00am

Initials: RRS

10:21 AM

11/22/21

Accrual Basis

**Rim Country Education Alliance**  
**Treasurer's Cash Report**  
10/12/2021-11/22/2021

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>10000 · Checking</b>							22,634.33
Check	10/14/2021	1086	EPS Group Inc.	Inv#21-0672-4	-SPLIT-	-700.00	21,934.33
Deposit	10/15/2021			Deposit	65030 · Printing and Copying	166.25	22,100.58
Check	10/23/2021			Service Charge	65060 · Bank Fees	-16.85	22,083.73
Check	11/18/2021	1087	EPS Group Inc.	Invoice# 21-0672-5	-SPLIT-	-800.00	21,283.73
Check	11/18/2021	1088	Auto Owners In...	Policy #122325-45028285-21	111120 · Prepaid Insurance-...	-358.00	20,925.73
Total 10000 · Checking						-1,708.60	20,925.73
<b>TOTAL</b>						<b>-1,708.60</b>	<b>20,925.73</b>

## RCEA Resolution #38

### **RESOLUTION NO. THIRTY-EIGHT (#38) OF THE CHAIRMAN AND THE BOARD OF THE RIM COUNTRY EDUCATIONAL ALLIANCE (“RCEA”), A SEPARATE LEGAL ENTITY (“SLE”) AND A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA AUTHORIZING THE RCEA CHAIRMAN TO PURSUE A SEVER AND TRANSFER OF 50 ACRE/FEET FROM THE CC CRAGIN NORTHERN GILA COUNTY RESERVED ALLOCATION THROUGH THE TOWN OF PAYSON OR DIRECTLY.**

**WHEREAS**, Salt River Project (SRP) has built and/or acquired and effectively operated federal reclamation projects within Arizona, including building, acquiring, operating and maintaining dams and distribution systems for nearly a century, including the C.C. Cragin reservoir and pumping system; and

**WHEREAS**, pursuant to the enactment of the 2004 Federal Water Settlement Act, Section 213 (i) (FWSA), SRP has actively worked to implement both the specific provisions of said law, and the legislative intent of the Act in compliance with existing Federal and State reclamation and water right laws, including the interests of northern Gila County water users; and

**WHEREAS**, subsequent to enactment of the FWSA and in furtherance of its purposes and in consummation of SRP’s 1963 agreement with Morenci mine, SRP completed and perfected the sever and transfer of certain water rights from the C.C. Cragin reservoir; and

**WHEREAS**, after passage of the FWSA, and in conformity with state and federal laws and agreements, the Town of Payson, with the support of SRP, successfully completed a sever and transfer of a portion of SRP’s water rights to the Town (up to 3,000-acre feet of Cragin water annually) which was approved by the Arizona Department of Water Resources; and

**WHEREAS**, as a part of the above-mentioned Federal laws and subsequent agreements, in addition to water rights transferred to the Town of Payson, an additional 500-acre feet annually were reserved for “northern Gila County.” In spite of good faith efforts, to date, only a portion (< 15%) of which have been transfer to date to Mesa Del Caballo; and

**WHEREAS**, during negotiations for the Town of Payson's sever and transfer of Cragin water rights, nearly a half section of land located in Payson was owned by the U.S. Forest Service, and was not therefore included in the hydrologist's determination of need on which the Town's initial sever and transfer application was based; and

**WHEREAS**, subsequently, the 253-acre Forest Service parcel lying wholly within the Town's service delivery area (1.25% of the Town's total area) was sold by the U.S. Forest Service, fee simple, to the Rim Country Educational Alliance, SLE (RCEA); and

**WHEREAS**, one of the U.S. Forest Service conditions precedent to approving the sale of the government owned parcel was a written agreement from the Town of Payson that it had a hundred-year water supply, and that it would supply water to the 253-acre site. Said required agreement by the Forest Service was procured from the Town, to be effective upon completion of the sale of the site to RCEA in 2015 (also conditioned on and subsequent to the Town's sever, and transfer having been completed); and

**WHEREAS**, Currently the 253-acre former U.S.F.S. site is under development and is requesting access to up to 50 ac-ft of water annually from CC Cragin (0.19 ac-ft per acre per year); and

**WHEREAS**, the SLE was created pursuant to A.R.S. § 11-952.02 in 2011, granting the RCEA as a political subdivision of the State of Arizona the powers enumerated in the A.R.S. § 11-952 and § 11-952.02 and as provided in the Inter-Governmental Agreements creating the SLE, including the right to own and control land; and

**WHEREAS**, pursuant to A.R.S. § 11-952.02 (A)(4) the SLE, in its own name and subject to the provisions of the agreement and subject to existing applicable law may acquire, construct and manage works, infrastructure and improvements;  
now

**THEREFORE, BE IT RESOLVED**, that the Chairman and Board Members of the Rim Country Educational Alliance, SLE agree to make a best faith effort to pursue a sever and transfer of 50 acre-feet annually of C.C. Cragin water rights from the 500 acre-feet reserved for "northern Gila County" with transfer of said rights to the Town of Payson as an amendment to the Town's current entitlement to



Cragin water for delivery to the RCEA. Delivery of C.C.Cragin water to RCEA will be subject to the Town's annual water needs being met. As an alternative, if the above is not approved in a timely manner, the RCEA, as a political subdivision of the State of Arizona, reserves the right to pursue alternate water solutions pursuant to A.R.S. §45-172 A. 1. or other legal and lawful means and Chairman Jon R. Cline is Authorized to execute any documents related thereto.

**PASSED AND ADOPTED BY THE BOARD OF THE RIM COUNTRY EDUCATIONAL ALLIANCE** this 24th day of November 2021, by the following vote:

**AYES:** \_\_\_\_\_ **NAYS:** \_\_\_\_\_ **ABSTENTIONS:** \_\_\_\_\_ **ABSENT:** \_\_\_\_\_

\_\_\_\_\_  
Jon Cline, Chairman

ATTEST:

\_\_\_\_\_  
Richard Richey, Secretary

APPROVED AS TO FORM:

This Resolution has been reviewed by the undersigned attorney for the RCEA, an Arizona Separate Legal Entity, who has determined that it is in proper form and within the powers and authority granted by the laws of the State of Arizona.

By: \_\_\_\_\_  
Hector M. Figueroa, RCEA Counsel