

BOARD OF DIRECTORS

MEETING MINUTES

October 25, 2018

VOTING MEMBERS PRESENT

Mayor Jim Lane, President, Scottsdale
Councilmember Eddie Cook, Vice President, Gilbert
Mayor Cathy Carlat, Secretary-Treasurer, Peoria
Vice Mayor Lauren Kuby, Tempe
Vice Mayor René Lopez, Chandler
Councilmember Bart Turner, Glendale

VOTING MEMBERS NOT PRESENT

Councilmember Pat Dennis, Avondale
Councilmember Sheri Lauritano, Goodyear
Councilmember Kevin Thompson, Mesa
Mayor Thelda Williams, Phoenix

OTHERS PRESENT

Patrick J. Adams, AMWUA	Sam Jaskolski, AMWUA
Anthony Alejandro, Peoria	Pat Kossan, AMWUA
Gretchen Baumgardner, Tempe	Brad Lundahl, Scottsdale
Anthony Beckham, SRP	Jack Lundsford, Buckeye/Lundsford Group
Jessica Blazina, Avondale	Frank Milam, Phoenix
Rob Bohr, Goodyear	Stuart Peckham, SRP
Eric Braun, Gilbert	Diana Piña, AMWUA
Gregg Capps, Chandler	John Raeder, Goodyear
Yesenia Dhott, Phoenix	Kathy Rall, Scottsdale
Gretchen Erwin, Goodyear	Tony Staffaroni, CAP
Kathy Ferris, AMWUA	Drew Swieczkowski, Glendale
Brett Fleck, AMWUA	Warren Tenney, AMWUA
Doreen Garlid, Tempe	Theresa Ulmer, Ulmer Consulting
Lacey James, Avondale	Carol Ward-Morris, AMWUA

A. Call to Order

Mayor Lane called the meeting to order at 11:07 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the September 27, 2018 Meeting

Upon a motion by Mayor Carlat and a second by Vice Mayor Lopez, the AMWUA Board of Directors unanimously approved the September 27, 2018 meeting minutes.

2. Next meeting scheduled: Thursday, November 29, 2018, 10:00 a.m., in the AMWUA office

3. Status of Lower Basin Drought Contingency Plan and DCP Steering Committee

Mr. Tenney shared an update on the Lower Basin Drought Contingency Plan (DCP). He said at the last DCP Steering Committee meeting on October 10th, various positions were presented and numerous smaller discussions have occurred in an effort to respond to the issues raised. He reported that today's DCP Steering Committee meeting was canceled to give these smaller groups more time to continue efforts to find a solution. He stated that AMWUA continues to believe that Arizona should implement DCP and recognizes the growing risk that historic drought and structural deficit have placed on Colorado River supplies.

Mr. Tenney reviewed the hydrology of the Colorado River system. He said the U.S. Bureau of Reclamation projects that a shortage will be declared in 2020 and deeper shortages could occur as soon as 2020 or 2021. He stated that in an effort to protect the River system by means of DCP, the cities are accepting a greater risk to their Non-Indian Agriculture (NIA) priority water. Mr. Tenney noted that NIA water is a critical component of the AMWUA members' water portfolios and seven of AMWUA's members have NIA water that is being used today.

Mr. Tenney reviewed a graphic displaying increased impacts to NIA water under DCP with updated Central Arizona Project (CAP) delivery volumes. He explained that the increased impact to our NIA water under DCP has made both the Tribes and the cities more protective of our water supplies when discussing mitigation for agriculture. He said this information has implications for mitigating Ag as well. Mr. Tenney then shared a graphic displaying the difference of delivery volumes to each type of priority water between DCP and the 2007 Guidelines with updated CAP delivery volumes. He discussed that the basic principle for mitigation is that it is to be based on the difference between the cuts under the 2007 Interim Guidelines and the DCP. He said following that principle of mitigation, Ag should be receiving less than what has been recently proposed. Mr. Tenney stated that proposed mitigation would actually provide more water to Pinal Ag than it would have otherwise received.

Mr. Tenney reported that in response to the current proposals and to Ag's position, the Gila River Indian Community (GRIC) issued a letter stating that not only are the cuts to NIA users, such as cities and the GRIC, worse, the current mitigation proposals would leave agricultural users better off than they would have been under the current 2007 Interim Guidelines. He said the GRIC argue that all users should equally share in the burdens of DCP, which has been their position throughout this process. He noted that as AMWUA has also stated, the GRIC spoke against taking water out of Lake Mead for Ag mitigation, which undermines the effectiveness of DCP in pushing back future shortages. Mr. Tenney stated that the GRIC's position has placed a reality check on the proposals put forward by the Arizona Department of Water Resources (ADWR) and CAP.

Mr. Tenney stated that AMWUA continues to be engaged in working for solutions that will help agricultural users as they transition from Colorado River water resources to their groundwater resources. He noted that whatever Ag mitigation comes to be, it needs to be done within the priority system and not add additional risk to higher priority users.

Mr. Tenney stated that some have suggested that municipalities, private water companies, and mines are hoarding water by storing it underground. He said that by storing the water Maricopa County taxpayers have paid for underground, they will have water in the future, which is smart planning and enhances our assured water supply designation.

Mr. Tenney stated that the dialogue needs to focus on the importance of DCP to Arizona's economy and protecting Lake Mead. He said the final implementation package for DCP in Arizona must strengthen Arizona's Colorado River supply without weakening long-term water management.

The AMWUA Board of Directors, Mr. Tenney, and Ms. Ferris discussed the relation of long-term storage credits, wet water, and mitigation as well as the importance of recharging water.

Councilmember Cook noted that AMWUA is not participating on the DCP Steering Committee and asked how AMWUA is providing influence on the DCP Steering Committee. Mr. Tenney stated that AMWUA has taken a number of measures to provide influence to the DCP Steering Committee including maintaining dialogue with the cities of Goodyear, Phoenix, and Scottsdale, which are on the DCP Steering Committee; keeping its members apprised of current DCP statuses; responding to questions, including one from Representative Bowers; and taking the opportunities to talk with different people in the water community and share what AMWUA's members have expressed. Mr. Tenney added that it would be helpful for AMWUA to send a letter to the DCP Steering Committee as a statement of position. He said AMWUA staff has drafted that letter and provided copies to the AMWUA Board of Directors.

Upon a motion by Vice Mayor Kuby and a second by Mayor Carlat, the AMWUA Board of Directors unanimously approved sending the presented letter to Mr. Buschatzke, ADWR Director, and Mr. Cooke, CAP General Manager.

4. Agenda for 2019 Legislative Session

Mr. Tenney stated that in an effort to build upon the Legislative Policies and Procedures approved by the AMWUA Board of Directors in 2015, AMWUA staff and its Legislative Contractor developed a legislative agenda for the 2019 session. He said this agenda identifies key issues that AMWUA members can incorporate into their individual legislative agendas. He described the three proposed items on the agenda: Colorado River system; reclaimed water and recharge; and Arizona water management.

Mr. Tenney noted that AMWUA has been working closely with its members' intergovs to have a greater team effort. He noted that AMWUA staff scheduled a meeting for next week with its members' intergovs to talk about the current situation and DCP.

Mayor Carlat stated that she would like to be explicit about safe-guarding the cities' water that they are recharging. She requested that "the ability to store CAP and reclaimed water underground" be included in the Colorado River system agenda item. Councilmember Cook agreed and expressed the importance of effluent recharge to the Town of Gilbert.

Mr. Tenney reported that at its October 10th meeting, the AMWUA Management Board unanimously recommended that the AMWUA Board of Directors adopt the proposed agenda for the 2019 legislative session.

Upon a motion by Mayor Carlat and a second by Vice Mayor Lopez, the AMWUA Board of Directors unanimously adopted the proposed agenda for the 2019 legislative session with Mayor Carlat's amendment.

5. Communication Efforts and Communications Specialists Position

Mr. Tenney stated that AMWUA entered into a professional services agreement with Pat Kossan five years ago to assist in elevating AMWUA's communications efforts. He reported that Ms. Kossan is retiring in December and AMWUA proposes moving from using a communications consultant to having an in-house communications specialist to continue to build upon the Association's communications and messaging efforts.

Mr. Tenney reported that at its October 10th meeting, the AMWUA Management Board unanimously recommended that the AMWUA Board of Directors approve the communications specialist position.

The AMWUA Board members discussed the importance of having a communications specialist and proactive communications efforts.

Councilmember Cook, Councilmember Turner, and Mr. Tenney discussed the pros and cons of hiring a marketing firm rather than having an in-house staff person. It was agreed that an in-house communications specialist would be most beneficial to AMWUA at this time.

Upon a motion by Councilmember Turner and a second by Vice Mayor Lopez, the AMWUA Board of Directors unanimously approved the communications specialist position.

4. Nominating Committee for Officers

Mayor Lane appointed Vice Mayor Lauren Kuby, Tempe; Vice Mayor René Lopez, Chandler; and Councilmember Sheri Lauritano, Goodyear as a nominating committee to recommend a 2019 slate for the AMWUA Board of Directors President, Vice President, and Secretary-Treasurer.

C. Executive Director's Report

Mr. Tenney stated that AMWUA's Conservation Committee prioritized reprinting one of AMWUA's key publications *Xeriscape: Landscaping with Style in the Arizona Desert* in Fiscal Year 2019. He said after receiving three bids, AMWUA has selected Courier Graphics as the printer for this job. He noted that the total estimated cost of this project is \$24,096.00, though the cost will be fully recovered after invoicing AMWUA's members, partnering agencies, and other cities that placed orders.

Mr. Tenney reported that President Trump signed America's Water Infrastructure Act of 2018, which authorized the Environmental Protection Agency's WaterSense program. He thanked the Alliance for Water Efficiency, AMWUA staff, and AMWUA members for all of the work put into efforts to authorize WaterSense.

Mr. Tenney distributed copies of the letter sent to Representative Bowers to the AMWUA Board of Directors members.

D. Future Agenda Items

There were no requests for future agenda items.

E. Adjournment

Upon a motion by Mayor Carlat and a second by Vice Mayor Kuby, Mayor Lane unanimously adjourned the meeting at 11:56 a.m.