



MANAGEMENT BOARD
MEETING MINUTES
April 10, 2019

VOTING MEMBERS PRESENT

- Mr. John Knudson, Chandler, Chairman
- Mr. Javier Setovich, Goodyear, Vice Chairman
- Mr. Brian Biesemeyer, Scottsdale
- Ms. Cindy Blackmore, Avondale
- Ms. Cynthia Campbell for Ms. Karen Peters, Phoenix
- Mr. Alan Dulaney for Mr. David Burks, Peoria
- Mr. Craig Johnson, Glendale
- Ms. Jessica Marlow, Gilbert
- Mr. Jake West, Mesa

VOTING MEMBERS NOT PRESENT

- Ms. Holly Rosenthal, Tempe

OTHERS PRESENT

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| Patrick J. Adams, AMWUA | Kathy Ferris, AMWUA | Tony Staffaroni, CAP |
| Michelle Elizabeth Barclay, AMWUA | Brett Fleck, AMWUA | Drew Swieczkowski, Glendale |
| Anthony Beckham, SRP | Lacey James, Avondale | Sheri Trapp, AMWUA |
| Ned Blum, CliftonLarsonAllen | Sam Jaskolski, AMWUA | Carol Ward, AMWUA |
| Gregg Capps, Chandler | Diana Piña, AMWUA | |
| Brian Draper, Mesa | Kathy Rall, Scottsdale | |

A. Call to Order

Mr. Knudson called the meeting to order at 10:02 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the March 13, 2019 Meeting

Upon a motion by Mr. Johnson and a second by Ms. Blackmore, the AMWUA Management Board unanimously approved the March 13, 2019 meeting minutes.

2. [Next meeting scheduled: Wednesday, May 8, 2019, 10:00 a.m., in the AMWUA office](#)
3. [2019 Legislative Session](#)

Ms. Ward stated that the Legislature is now focused on the budget and AMWUA does not anticipate any significant legislative developments at this point. She noted that the bills AMWUA has opposed have been held, and stakeholders will be meeting over the summer to discuss water issues.

Ms. Ward reported that at its March 28, 2019 meeting, the AMWUA Board of Directors unanimously voted to support two strikers:

- SB 1440: would appropriate \$740,000 from the state budget for the Arizona Department of Water Resources (ADWR) to hire six full time technical staffs
- HB 2124: would appropriate \$289,500 for administrative support for the general stream adjudication

Ms. Ward noted that AMWUA staff are keeping an eye out for additional strikers.

4. [Status of Lower Basin Drought Contingency Plan](#)

Ms. Ward reported that the bill that would authorize the U.S. Bureau of Reclamation to enact the Drought Contingency Plan (DCP) has passed Congress and went on to the White House for President Trump's signature on Tuesday. She said identical versions of the bill were introduced into both chambers last week and were fast-tracked by Representative Raúl Grijalva, Arizona, and Senator Martha McSally, Arizona. Ms. Ward reported that on Monday, the House approved its version and the Senate followed suit moments later with both bills having unanimous support from lawmakers across the basin states. She stated that once the bill is signed by the president, representatives of the seven basin states are expected to meet again to finalize the deal.

Mr. Knudson thanked everyone for all of the work put into the DCP efforts.

5. [Selection of Firm for Fiscal Year Audits](#)

Ms. Ward stated that every five to six years, AMWUA undertakes a request for proposals process to select a firm to perform the more extensive Sub-Regional Operating Group (SROG) audit as well as the AMWUA audit. She said AMWUA invited proposals from qualified certified public accountant firms and received three responses, which were evaluated by finance staffs from the five SROG cities. Ms. Ward reported that the review team unanimously selected Heinfeld Meech & Co., P.C. She detailed that the audit contract will be a not-to-exceed cost of \$30,000 with the option to renew for four subsequent years at a cost not-to-exceed \$34,000 by Fiscal Year 2023.

Upon a motion by Mr. Biesemeyer and a second by Mr. West, the AMWUA Management Board unanimously recommended to the AMWUA Board of Directors to approve the AMWUA Executive Director to issue an engagement letter with Heinfeld Meech & Co., P.C. for audit services for Fiscal Year 2019/20 at a cost not-to-exceed \$30,000, with the option to renew for four subsequent years at a cost not-to-exceed \$34,000 by Fiscal Year 2023.

6. AMWUA Fiscal Year 2020 Preliminary Draft Budget

Ms. Ward reported that AMWUA's Fiscal Year 2020 preliminary draft budget shows an increase of \$68,239 or 4.88% from the current budget. She noted that no carryover from Fiscal Year 2019 is anticipated, so membership dues will increase accordingly. She said the preliminary draft budget included in the meeting packet, along with the information summary, provide a detailed explanation for the line items that have either increased or decreased from the current fiscal year budget.

Ms. Ward stated that the preliminary draft Fiscal Year 2020 budget will be presented to the AMWUA Board of Directors on April 25, 2019 for feedback and the final Fiscal Year 2020 budget will be presented to the AMWUA Management Board in May for consideration to recommend approval to the AMWUA Board of Directors.

With no questions or comments raised, Mr. Knudson requested the AMWUA Management Board members forward any questions or comments that may arise to Mr. Tenney or Ms. Ward for consideration.

C. Management Board Members' Updates

The Management Board members were invited to report on water activities in their city/town.

Mr. Setovich reported that the City of Goodyear has been going through its M36 Audit with Cavanaugh, a consulting firm. He said the M36 Audit was a recommendation from Goodyear's Conservation Committee stakeholder group.

Mr. Dulaney reported that the City of Peoria will be hiring a new Water Services Director as its current interim Water Services Director is retiring in June. He said the hope is to have a new permanent Water Services Director on board in May.

Ms. Blackmore reported that the City of Avondale will be looking for a new Public Works Assistant Director and posting the job position next week.

Ms. Campbell reported that the City of Phoenix launched its conservation campaign with a giant building wrap on the UnitedHealthcare building in downtown Phoenix. She also noted

that Phoenix's adhoc committee on Water Conservation will begin in May and that Mr. Tenney is participating on that committee.

D. Executive Director's Report

Ms. Ward reported that the Central Arizona Project is holding its stakeholder rate meeting tomorrow where we will get a first look at the proposed rates for the year. She said no surprises are anticipated at that meeting.

Ms. Ward stated that April is Water Awareness Month.

Ms. Ward reported that AMWUA is moving forward with the Shortage Awareness Campaign and leveraging Water Awareness Month. She said Ms. Trapp is continuing to coordinate among AMWUA members and partners and will be meeting with the communications group on April 16, 2019.

Ms. Ward stated that the AZ Water conference will be held April 16-18, 2019. She said April 14-20, 2019 is Arizona Water Professionals Appreciation Week and AMWUA will be posting a blog on the topic.

Ms. Ward reported that she presented last week on Arizona's distribution system water loss efforts at the American Water Works Association Sustainable Water Management Conference. She stated that her presentation included discussing the state's distribution system water loss pilot and AMWUA's upcoming training and technical assistance pilot, which received a recommendation from the Phoenix Groundwater Users Advisory Council for funding.

E. Future Agenda Items

No future agenda items were identified.

F. Adjournment

Mr. Knudson adjourned the meeting at 10:16 a.m.