

MANAGEMENT BOARD

MEETING MINUTES

January 10, 2018

VOTING MEMBERS PRESENT

Mr. Kevin Artz, Avondale, Chairman
Mr. Brian Biesemeyer, Scottsdale
Mr. Eric Braun for Ms. Jessica Marlow, Gilbert
Mr. John Knudson, Chandler
Mr. Craig Johnson, Glendale
Ms. Karen Peters, Phoenix
Mr. Javier Setovich, Goodyear
Mr. Mike Weber, Peoria

VOTING MEMBERS NOT PRESENT – EXCUSED

Ms. Holly Rosenthal, Tempe
Mr. Jake West, Mesa

OTHERS PRESENT

Barry Aarons, The Aarons Co.	Kathy Ferris, AMWUA	Diana Piña, AMWUA
Gretchen Baumgardner, Tempe	Brett Fleck, AMWUA	Kathy Rall, Scottsdale
Cindy Blackmore, Avondale	Mark Holmes, Goodyear	Richard Siegel, SRP
Cynthia Campbell, Phoenix	Lacey James, Avondale	Tony Staffaroni, CAP
Gregg Capps, Chandler	Sam Jaskolski, AMWUA	Drew Swieczkowski, Glendale
Barbara Chappell, Goodyear	Pat Kossan, AMWUA	Warren Tenney, AMWUA
Miranda Dewitt, Mesa	Frank Milam, Phoenix	Theresa Ulmer, Ulmer Consulting
Alan Dulaney, Peoria	Brian Payne, AMWUA	Carol Ward-Morris, AMWUA

A. Call to Order

Mr. Artz called the meeting to order at 10:04 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the December 13, 2017 Meeting

Upon a motion by Ms. Peters and second by Mr. Setovich, the AMWUA Management Board unanimously approved the December 13, 2017 meeting minutes.

2. [Next meeting scheduled: Wednesday, February 14, 2018, 10:00 a.m., in the AMWUA office](#)
3. [Governor's Water Solutions Conversation & 2018 Legislative Update](#)

Mr. Tenney reported that the Legislative Session began on Monday with the Governor's State of the State address, in which Governor Ducey recognized Arizona's reputation as a national leader in water management and the importance of continuing that legacy in future policies as well as ensuring Arizona speaks with one voice on water issues. He said the Governor's Office has not put any water legislation forward yet and it appears that the legislative package will be smaller than what was originally anticipated when the Governor's Water Solutions Conversation began last summer. He noted that the Governor's Office and the Arizona Department of Water Resources (ADWR) are having positive discussions with legislative leadership about putting together legislation that could pass. He said there has not been any other water legislation proposed so far in the first days of the session.

Mr. Tenney noted that AMWUA is also monitoring legislation that may not be directly about water, but could still impact municipalities and their water services. He said he circulated one such bill yesterday among the Water Resources Advisory Group (WRAG) to get feedback about if the bill is of concern.

Mr. Aarons gave an update on activities at the Legislature. He noted that some legislators are offering their own proposals on water, some of which the Governor's Office has balked. He said he has a sense that water in Legislature this session may be an all or nothing package. Mr. Aarons stated that conversations are continuing and he continues to meet with legislators. Ms. Ulmer added that they will be working with legislators to make sure water does not become an intensely partisan issue.

4. [Analysis of Water Transfers](#)

Mr. Tenney stated that the topic of water transfers could arise this legislative session as the issue has risen in priority with the Central Arizona Groundwater Replenishment District's (CAGR) proposed acquisition of 2,200 acres of farmland with Colorado River rights in Mohave County.

Mr. Payne reviewed a presentation on the role of water transfers in Arizona's water management, particularly in regard to Colorado River water. He highlighted the history of water transfers in Arizona, types of transfers, the impact on municipalities, benefits and challenges, and what water transfers could mean for Arizona's water future. Mr. Payne said this presentation is an overview of the analysis AMWUA is drafting that will be discussed with the WRAG for feedback and then brought to the Management Board for review in February.

Ms. Peters asked if there is any idea of legislation that may be proposed by Mohave County. Mr. Tenney and Mr. Payne replied that they had not heard anything specific.

Ms. Ferris commented that because the Mohave County water transfer is Colorado River water, it is controlled by the US Secretary of the Interior, not by state law. She said under state law, the role of ADWR is to review the proposed transfer, conduct public hearings, get input, and then make a recommendation to the Secretary. She noted that the role of the Legislature is rather limited because it is the Secretary's decision.

Ms. Peters asked if the ADWR recommendation is binding. Mr. Payne said ADWR's recommendation is advisory only and not binding. Ms. Ferris said, historically, the Secretary has listened to ADWR's recommendation and respected the Department's position on how Arizona's entitlement of Colorado River water is to be used and allocated. Mr. Tenney stated that Mr. Payne's analysis looks into ADWR's role, the Federal role, and how the two entities interact. He said AMWUA will dive deeper into that subject at the February Management Board meeting.

Ms. Peters asked if there was a willing seller in the Mohave transfer. Mr. Payne said yes, an entity from New York is interested in selling its land as an investment, which makes the issue more controversial.

5. [Presentation on Scottsdale Water Citizen Academy](#)

Mr. Biesemeyer shared a presentation on the Scottsdale Water Citizen Academy. He stated that Scottsdale is committed to continual improvement and uses the Effective Utility Management (EUM) process, which identified "customer satisfaction" and "stakeholder understanding" in 2015/2016. He said the Water Citizen Academy project was chosen to address both attributes. Mr. Biesemeyer highlighted an outline of the academy including presentations, tours, demonstrations, giveaways, logistics, and graduation; how the city recruits participants; feedback received from participants; survey results and lessons learned; and changes made to the program over time.

Mr. Setovich thanked Mr. Biesemeyer for sharing information about Scottsdale's experience creating and administering its Water Citizen Academy. Mr. Setovich noted that Goodyear is also working on public outreach and he would like to implement some of Scottsdale's ideas.

Mr. Johnson emphasized the importance of providing tours and presentations to citizens because informing the public gives them a better understanding of water services and makes them allies to the utility.

Mr. Knudson echoed Mr. Johnson's sentiments of the power of having a friend to the utility, especially with social media because neighbors can correct each other before incorrect information is spread.

Mr. Artz and Mr. Biesemeyer noted Scottsdale's survey results that show Scottsdale Water Citizen Academy participants rated the taste of the water at the end of the course at nearly 50 percent greater than at the beginning of the course.

Mr. Braun asked if Scottsdale was considering making a light version of its Water Citizen Academy that could be viewed on YouTube in order to reach larger audiences. Mr. Biesemeyer said a number of informative videos have been shared on Scottsdale's website and creating a complete video course has been considered, but not firmed.

C. Board Members' Updates

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

Avondale: Mr. Artz reported that Avondale is going through its public hearing process next Tuesday for a rate increase. He said Avondale is in year three of a five-year program to increase the rates at six percent (6%) a year. He noted that the process has gone smoothly so far and they expect it will move forward.

D. Executive Director's Report

Mr. Tenney reported that ADWR, CAWCD, and the Arizona Water Banking Authority are initiating the Recovery Planning Advisory Group. Mr. Tenney was asked to participate in the Recovery Planning Advisory Group and will be discussing the issues with the AMWUA members.

Mr. Tenney reported that snow in the Colorado River Basin is at 66% normal and for the water year to date in Arizona, the Salt and Verde watershed is experiencing the third driest ever since records were kept 118 years ago. He said this information serves as a strong reminder to the Legislature and others that hoping for a good winter is not an action plan; we need to proactively build on previous efforts to protect Arizona's water supplies.

Mr. Tenney encouraged the Management Board members to reach out to their conservation staffs about SRP energy rebates available to municipalities to increase efficiency that were reported at yesterday's Conservation Committee meeting.

Mr. Tenney reported that Mary Ann Dickinson of the Alliance for Water Efficiency will be presenting at this month's AMWUA Board meeting to provide an update to the Board on WaterSense, tax parity for conservation rebates, and other water efficiency work that the Alliance does for its member utilities.

Mr. Tenney distributed copies of the AMWUA 2017 Achievements brochure to the Management Board members for them to share within their municipality to familiarize others

with AMWUA. The AMWUA Board was mailed copies of the AMWUA 2017 Achievements brochure to share amongst their fellow elected officials.

E. Future Agenda Items

There were no requests for future agenda items.

F. Adjournment

With no further items to discuss, upon a motion by Mr. Biesemeyer and a second by Mr. Johnson, Mr. Artz unanimously adjourned the meeting at 10:59 a.m.