



Public Notice Pursuant to A.R.S. § 38-431.02

**ARIZONA MUNICIPAL WATER USERS ASSOCIATION
BOARD OF DIRECTORS**

MEETING NOTICE AND AGENDA

Thursday, August 29, 2019 – 10:00 a.m.

**Arizona Municipal Water Users Association
Board Conference Room
3003 North Central Avenue, Suite 1550
Phoenix, Arizona 85012**

A. Call to Order

B. General Business—Items for Discussion and Possible Action

1. Approval of the Minutes from the June 27, 2019 Meeting
2. Schedule Next Meeting Date: Thursday, September 26, 2019, 11:00 a.m.
3. Presentation of New Smartscape Website
4. Governor’s Water Augmentation Innovation and Conservation Council & ADWR Management Plans

C. Executive Director’s Report

D. Future Agenda Items

E. Executive Session

Pursuant to A.R.S. Section 38.431.03.A.1, the AMWUA Board of Directors may vote to convene in Executive Session to discuss staff assignment and compensation.

F. Consideration of Action Pursuant to Executive Session

G. Adjournment

*The order of the agenda may be altered or changed by the AMWUA Board of Directors. Members of the AMWUA Board of Directors will attend either in person or by telephone or internet conferencing.

More information about AMWUA public meetings is available in the AMWUA office, online at www.amwua.org/what-we-do/public-meetings, or by request.

Arizona Municipal Water Users Association

3003 North Central Avenue, Suite 1550, Phoenix, Arizona 85012 • (602) 248-8482 • amwua.org



BOARD OF DIRECTORS
MEETING MINUTES
June 27, 2019

VOTING MEMBERS PRESENT

Mayor Jim Lane, President, Scottsdale
Vice Mayor Eddie Cook, Vice President, Gilbert
Mayor Cathy Carlat, Secretary-Treasurer, Peoria
Vice Mayor Lauren Kuby, Tempe
Councilmember Sheri Lauritano, Goodyear
Councilmember René Lopez, Chandler
Councilmember Curtis Nielson, Avondale
Councilmember Bart Turner, Glendale
Councilwoman Thelda Williams, Phoenix

VOTING MEMBERS NOT PRESENT

Councilmember Kevin Thompson, Mesa

OTHERS PRESENT

Barry Aarons, The Aarons Co.	Val Danos	Clark Princell, Phoenix
Patrick J. Adams, AMWUA	Gretchen Erwin, Goodyear	John Raeder, Goodyear
Anthony Alejandro, Peoria	Kathy Ferris, AMWUA	Kathy Rall, Scottsdale
Michelle Barclay, AMWUA	Brett Fleck, AMWUA	Holly Rosenthal, Tempe
Gretchen Baumgardner, Tempe	Lacey James, Avondale	Sarah Saenz, AMWUA
Anthony Beckham, SRP	Sam Jaskolski, AMWUA	Maya Sesmas, Avondale
Brian Biesemeyer, Scottsdale	Craig Johnson, Glendale	Tony Staffaroni, CAP
Cindy Blackmore, Avondale	Ryan Lee, Glendale	Drew Swieczkowski, Glendale
Ned Blum, Clifton Larson Allen	Jessica Marlow, Gilbert	Warren Tenney, AMWUA
Eric Braun, Gilbert	Frank Milam, Phoenix	Sheri Trapp, AMWUA
Silvana Burgos, Glendale	Diana Piña, AMWUA	Carol Ward, AMWUA
Gregg Capps, Chandler	Cape Powers, Peoria	Marge Zylla, Tempe

A. Call to Order

Mayor Lane called the meeting to order at 11:02 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the April 25, 2019 Meeting

Upon a motion by Councilmember Turner and a second by Councilwoman Williams, the AMWUA Board of Directors unanimously approved the April 25, 2019 meeting minutes.

2. Next meeting scheduled: Thursday, August 29, 2019, 10:00 a.m., in the AMWUA office

3. 2019 Legislative Session Recap

Mr. Tenney stated that AMWUA accomplished its legislative agenda that the Board set last October, and that the legislative session ended May 28, 2019. The passage of SB 1227 accomplished two of the three legislative objectives: support for Arizona's adoption of the Drought Contingency Plan (DCP) and removal of the 2025 sunset to earn credits from effluent recharge. The third goal was to sustain Arizona's water management policies through actively supporting bills that will further water management policies, and opposing legislation that could weaken water management. Mr. Tenney explained that AMWUA opposed HB 2586 regarding the Pinal Active Management Area (AMA) assured water supply issues and HB 2609 regarding the Harquahala Basin.

Mr. Tenney appreciated the efforts of the Intergov staffs reaching out to the legislators, which aided in achieving AMWUA's legislative goals. AMWUA was also able to increase its interaction with legislators this legislative session through its well-attended breakfast for legislators, Carol Ward's overview on water conservation at Senator Otondo's weekly water lunch, and AMWUA's 50th anniversary being recognized on the floor of both chambers.

Mr. Tenney explained that during the legislative session AMWUA frequently noted that water legislation should be vetted in the water community before, and not during, the legislative session. In order to change this, AMWUA reached out to the Agribusiness Council to work together to create a Vetting Forum for Water; a collaborative effort to have water legislation discussed prior to the legislative session. Mr. Tenney stated that AMWUA has spoken to the House Speaker, the Senate President and the chairs of the respective water committees and each expressed support for the concept. In addition, AMWUA has talked with the Governor's Office, Central Arizona Project (CAP) and Salt River Project (SRP), and is continuing to generate support in the water community for the vetting forum concept. Mr. Tenney noted that the key reason AMWUA had such a successful legislative session was from the hard work of its legislative consultants Barry Aarons and Theresa Ulmer.

Mr. Aarons restated that through hard work and team effort, he was happy with the success of the adoption DCP and AMWUA's role. In addition, he added that the commencement of water vetting opportunities was an excellent idea and that it will be important to reach out to the right people to participate, creating a greater audience and

forcing issues to be discussed prior to going to session. Mayor Lane and Mr. Aarons continued to discuss the value of vetting water issues prior to the session.

Mayor Lane and Mr. Aarons discussed water legislation at the federal level, noting that there is a good bipartisan congressional delegation that understands the importance of water legislation, and both municipal and rural water issues.

4. Agreements with the University of Arizona for Smartscape Program and IGA with ADWR for Funding

Mr. Tenney stated that 25 years ago, AMWUA was part of the collaborative effort to develop the Smartscape program, a comprehensive training program that instructs landscape professionals on all aspects of low-water-use landscapes. He said Smartscape supports AMWUA members in their efforts to increase water use efficiency and the AMWUA Conservation Committee strongly supports Smartscape's efforts.

Mr. Tenney explained that to support Smartscape, AMWUA and the Arizona Department of Water Resources (ADWR) enter into a two-year agreement in which both entities provide \$30,000 annually to fund the program. AMWUA's monies come from the Regional Conservation Program budget and ADWR's from the Water Management Assistance Program (WMAP). He said AMWUA then enters into a two-year agreement with the University of Arizona for program administration through the Maricopa County Cooperative Extension.

Mr. Tenney reported that the current agreements are concluding and will need to be renewed. He said because the Phoenix AMA Groundwater Users Advisory Council is not meeting until June or July to recommend the use of ADWR funds, it is likely that the agreement with ADWR will not be ready until early in the new fiscal year. He explained that in the meantime, AMWUA proposes entering into an initial six-month agreement with the University of Arizona and then entering into a subsequent 18-month agreement with the University of Arizona in order to fund Smartscape and its operation for another two years.

Mr. Tenney reported that at its May 9th meeting, the AMWUA Management Board unanimously recommended that the AMWUA Board of Directors approve the Executive Director's ability to enter into the six-month agreement between AMWUA and the University of Arizona for implementation of the Smartscape Program. It was also recommended that once ADWR authorizes \$60,000 in WMAP funds for the Smartscape program that the AMWUA Board of Directors approve the Executive Director's ability to enter into an intergovernmental agreement with ADWR for program funding and into the subsequent 18-month agreement with the University.

Upon a motion by Councilmember Lopez and a second by Vice Mayor Kuby, the AMWUA Board of Directors unanimously accepted the Management Board's recommendation to

approve the Executive Director's ability to enter into the six-month agreement between AMWUA and the University of Arizona for implementation of the Smartscape Program; and once ADWR authorizes \$60,000 in WMAP funds for the Smartscape program that the AMWUA Board of Directors approve the Executive Director's ability to enter into an intergovernmental agreement with ADWR for program funding and into the subsequent 18-month agreement with the University.

5. AMWUA Quarterly Financial Statement – Third Quarter

Mr. Tenney reported that the statement of revenues and expenses through March 2019 shows overall that AMWUA is under budget by \$39,236 and remains in a good financial position. He stated that at its May 9th meeting, the AMWUA Management Board unanimously recommended that the AMWUA Board of Directors accept the quarterly financial statement as presented.

Upon a motion by Mayor Carlat and a second by Councilmember Lopez, the AMWUA Board of Directors unanimously accepted the quarterly financial statement as presented.

6. Redirection of Funds in Fiscal Year 2019 Budget

Mr. Tenney requested the AMWUA Board of Directors approval to redirect monies in the current budget to pay for two unplanned expenses: \$4,500 for the 2018 reconciliation of building operating expenses and no more than \$7,500 for replacing the projector in the AMWUA Board room. He detailed that the reconciliation of building operating cost is what AMWUA pays annually in addition to the monthly office lease payment. The property management estimates the monthly building operating cost amount to cover AMWUA's contribution and those costs are reconciled at the end of the year. Mr. Tenney reported that this significant reconciliation of \$4,500 was unexpected and AMWUA expressed frustration to the property management, who said the higher building operating costs are due to repair and maintenance, HVAC costs, overall inflation on all costs, and higher property taxes. Regarding replacing the projector in the AMWUA Board room, Mr. Tenney noted that after looking at different visual equipment and requesting quotes from local companies, AMWUA does not expect the cost to be more than \$7,500. Mr. Tenney reported that the funds for these two expenses, totaling \$12,000, exist in the current budget and are not anticipated to be used.

Upon a motion by Councilmember Lopez and a second by Mayor Carlat, the AMWUA Board of Directors unanimously approved to redirect monies in AMWUA's current budget to pay for the 2018 reconciliation of building operating expenses and new visual equipment for the Board room.

7. AMWUA Fiscal Year 2020 Final Draft Budget

Mr. Tenney presented the final draft budget to the AMWUA Board of Directors. He stated that at its May 9th meeting, the AMWUA Management Board unanimously recommended that the AMWUA Board of Directors adopt the budget as presented. He noted that the final draft budget had a few minor changes totaling \$400 less than the preliminary draft budget that was presented in April. The information summary gives a detailed explanation of each line item that has increased or decreased compared to the current budget.

Upon a motion made by Councilwoman Williams and a second by Vice Mayor Kuby, the AMWUA Board of Directors unanimously accepted the AMWUA Fiscal Year 2020 Final Draft budget as presented.

8. Temporary Transfer of Local Government Investment Pool Funds for AMWUA Operations

Mr. Tenney requested approval to temporarily transfer up to \$300,000, if needed, from the Contingency Fund to AMWUA's Money Market account in order to cover operational cash flow needs while AMWUA waits for the dues assessments in the first few months of the new fiscal year. He stated that the transfer would only be to ensure sufficient cash flow, and once assessments are received and the Money Market account is at adequate operating levels, any borrowed funds would be transferred back to the Contingency Fund.

Mayor Lane and Mr. Tenney discussed that this transfer is a precautionary action and that it is a timing situation where the transfer is only required for operating cash flow. Mayor Lane noted that he appreciated the attention to detail on how AMWUA handles its budget and disclosed the transfer request with the Board.

Upon a motion made by Councilmember Turner and a second by Mayor Carlat the AMWUA Board of Directors unanimously approved AMWUA to temporarily transfer up to \$300,000, if needed, from the Contingency Fund to AMWUA's Money Market account in order to cover operational cash flow needs.

C. Executive Director's Report

Mr. Tenney reported that in March, the Phoenix AMA Groundwater Users Advisory Council unanimously recommended WMAP funding for AMWUA's water loss control technical training and assistance program proposal, which the AMWUA Board supported in September 2018. ADWR has approved the funding so AMWUA has prepared and issued a request for qualifications and is now awaiting submittals. Mr. Tenney stated that the plan is to present the contract for the selected consultant at the August Board meeting so that the program can start in the fall.

Mr. Tenney reported that AMWUA completed and filed an application to be considered for Arizona Forward's Governor's Award for Arizona's Future. Mr. Tenney stated that AMWUA

warrants this award based on 50 years of contributing to protecting the water supplies and enhancing water management for Arizona.

D. Future Agenda Items

There were no requests for future agenda items.

E. Adjournment

Upon a motion by Councilmember Lopez, a second by Mayor Carlat, and unanimous approval, Mayor Lane adjourned the meeting at 11:36 a.m.



BOARD OF DIRECTORS
INFORMATION SUMMARY
August 29, 2019

Presentation of New Smartscape Website

ANNUAL PLAN REFERENCE

Demand Management & Sustainability

Strategic Plan: Objectives – Prepare for Impacts of Drought & Shortage, Augment Supplies, Interconnect Disciplines, Excel as an Expert and Resource

Action:

- Develop a comprehensive website to administer and promote the Smartscape Program in Maricopa and Pima counties, working in partnership with Tucson Water, the University of Arizona, and ADWR.

SUMMARY

At the August 29, 2019 meeting, AMWUA staff will premiere the new Smartscape website for the Board of Directors. The redevelopment of the Smartscape website began in June 2018 when the AMWUA Board of Directors unanimously approved the Executive Director to enter into a contract with Ackmann & Dickenson for the redevelopment and redesign of the Smartscape website and database at a cost not to exceed \$90,000.

Smartscape is a comprehensive, research-based training program that instructs landscape professionals in the fundamentals of design, installation, irrigation, and maintenance of desert-adapted landscapes. The program was developed collaboratively by AMWUA, Tucson Water, the University of Arizona Cooperative Extension, and industry representatives. Smartscape was launched in both the Phoenix and Tucson areas in 1994 to increase landscape water efficiency in Arizona's urban corridor and has remained a high priority for AMWUA's Conservation and Efficiency Advisory Group.

The Smartscape website is a critical component of the program. For landscape professionals, it provides information on upcoming Smartscape training and registration as well as promotes the value of training and certification. For residents and businesses, the website details the value of hiring trained, certified landscape professionals, while highlighting Smartscape graduates by enabling consumers to search for and contact those trained professionals available for hire.

The new Smartscape website accomplishes the goals identified at the beginning of this project. The website is efficient, as updates and maintenance are easy to achieve making it user-friendly to program coordinators, students, and the public. It is mobile-adapted and has Google Analytics embedded so usage can be statistically tracked. It also effectively consolidated the online management of the Smartscape program across Maricopa and Pima counties, improving the efficiency of program administration. Overall, the new website promotes a comprehensive, cohesive message while increasing program recognition, efficiency, and conversations about the importance of desert-adapted landscapes.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions and provide feedback during the unveiling of the new Smartscape website at the August 29, 2019 meeting.



BOARD OF DIRECTORS INFORMATION SUMMARY

August 29, 2019

Governor's Water Augmentation Innovation and Conservation Council & ADWR Management Plans

ANNUAL PLAN REFERENCE

Achieving Safe-Yield

Evaluate and pursue our members' contribution towards achieving and maintaining safe-yield and prepare for the critical water management issues beyond 2025.

- Governor's Water Augmentation, Innovation and Conservation Council – Actively participate to protect and promote our members' perspectives.
- Strategic Aquifer Protection – Work with ADWR and relevant stakeholders to build support for Strategic Aquifer Protection ideas to be incorporated into the Management Plan for the Phoenix AMA.

Strategic Plan: Objectives – Advocate for Solutions; Safeguard Water Supplies, Reinforce Groundwater Management, Prepare for Impacts of Drought & Shortage, Augment Supplies, Initiate Post-2025 Water Policy; Collaboration – Arizona Department of Water Resources, Salt River Project, Central Arizona Project, Water Community, Business Community

SUMMARY

With the passage of legislation for the Lower Basin Drought Contingency Plan, Governor Ducey issued an executive order to establish the Governor's Water Augmentation Innovation and Conservation Council (Water Council). The Water Council replaced and expanded the Governor's Water Augmentation Council. The membership to the Council includes legislative leaders, tribes, cities, CAWCD, SRP, on-river interests, Pinal agriculture, and rural Arizona, many who participated in the DCP process. The AMWUA Executive Director is a member of the Water Council.

The Water Council has four committees: Long-term Water Augmentation Committee, Desalination Committee, Non-AMA Groundwater Committee, and AMA's Post 2025 Committee. These committees have or will start meeting soon.

While not part of the Water Council, the Arizona Department of Water Resources (ADWR) has presented the draft Fourth Management Plan for the Phoenix Active Management Area (AMA). Comments were due August 2nd and AMWUA submitted comments regarding the draft Plan. ADWR wants to complete the Fourth Management Plan, which is already well overdue, so that it

Arizona Municipal Water Users Association

can focus on the development of the Fifth Management Plan. ADWR will be convening working groups for that purpose, which include M&I, Agriculture, Industry and Safe-Yield Technical.

AMWUA staff will give the Board of Directors a presentation updating the activities of the Water Council and ADWR's Management Plan efforts. A similar presentation was given to the AMWUA Management Board at its August 14, 2019 meeting.

RECOMMENDATION

The AMWUA Board of Directors is encouraged to ask questions and discuss the Governor's Water Augmentation Innovation and Conservation Council and ADWR's management plan efforts.