



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

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

MEETING NOTICE AND AGENDA

Thursday, September 23, 2021 – 11:00 a.m.

**This meeting will be held via AMWUA Zoom
Access this [Link](#) to join. Meeting ID: 813 1898 5771**

(Option to join by phone: 602-753-0140, same Meeting ID as above)

A. Call to Order

B. General Business—Items for Discussion and Possible Action

1. Approval of the Minutes from the August 26, 2021 Meeting
2. Schedule Next Meeting Date: Thursday, October 28, 2021, 11:00 a.m.
3. Colorado River Shortage
4. Outdoor Water Initiatives
5. Governor’s Water Augmentation Innovation & Conservation Council

C. Executive Director’s Report

D. Future Agenda Items

E. 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 by internet conferencing.

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

Arizona Municipal Water Users Association



**BOARD OF DIRECTORS
MEETING MINUTES
August 26, 2021
ZOOM TELECONFERENCE**

VOTING MEMBERS PRESENT

Councilmember Kevin Thompson, Mesa, President
Councilmember Bart Turner, Glendale, Vice President
Councilmember René Lopez, Chandler, Secretary-Treasurer
Councilmember Doreen Garlid, Tempe
Councilwoman Ann O’Brien, Phoenix
Mayor David Ortega, Scottsdale
Councilmember Scott Anderson, Gilbert
Councilmember Bridget Binsbacher, Peoria,
Councilmember Sheri Lauritano, Goodyear

VOTING MEMBERS NOT PRESENT

Councilmember Curtis Nielson, Avondale

OTHERS PRESENT

Patrick J. Adams, AMWUA	GINNA CARICO, Goodyear	Dawn Nall, SW EFC
Erin Andres, Phoenix	Jennifer Davidson, Avondale	Jacob Perez Laurent, AMWUA
Alexis Apodaca, Chandler	Sam Draper, AMWUA	Diana Pina, AMWUA
Amy Arguilez, Gilbert	Gretchen Erwin, Goodyear	Cape Powers, Peoria
Michelle Barclay, AMWUA	Paulette Fenderson, Phoenix	John Raeder, Goodyear
Gretchen Baumgardner, Scottsdale	Kathy Ferris, AMWUA	Richard Siegel, SRP
Kirk Beaty, Avondale	Brett Fleck, Peoria	Drew Swieczkowski, Glendale
Anthony Beckham, SRP	Hayley Howard, The Aarons Co	Warren Tenney, AMWUA
Ned Blum, CliftonLarsonAllen	Simone Kjolsrud, AWBA	Sheri Trapp, AMWUA
Rob Bohr, Gilbert	Karen Kruse, Phoenix	Theresa Ulmer, Ulmer Consulting
Craig Caggiano, Tempe	Jack Lunsford, The Lunsford Group	Tammi Watson, CAP
Gregg Capps, Chandler	James Markham, SW EFC	Emily Webb, Peoria

A. Call to Order

Councilmember Thompson called the meeting to order at 11:04 a.m.

B. General Business – Items for Discussion and Possible Action

Councilmember Thompson said the Board would discuss first the agenda items requiring action.

1. Approval of the Minutes from the June 24, 2021 Meeting

Upon a motion made by Mayor Ortega and a second from Councilmember Garlid, the AMWUA Board of Directors unanimously approved the June 24th meeting minutes.

2. Schedule Next Meeting Date: Thursday, September 23, 2021, 11:00 a.m.

5. Drought Mitigation Revolving Fund Board

Mr. Tenney reported that the State budget established the Drought Mitigation Revolving Fund and appropriated \$160 million as seed money for the State to develop a large water augmentation project. A Board consisting of seven members will oversee this fund throughout subsequent years, with two of the seven positions represented by either Maricopa, Pinal or Pima counties. Mr. Tenney noted that he has applied to be one of these two appointments representing Maricopa County as AMWUA members are responsible for delivering water to 3.6 million residents and will provide the bulk of the tax base necessary to support a state-wide augmentation effort. Councilmember Thompson had already written a letter of support, though it would be beneficial if any other AMWUA Board members send a letter to both selective bodies – the Governor and the Senate Councilmember. Consideration for a support letter from the full Board was also discussed. This draft letter was provided to each Board member.

Councilmember O'Brien requested more information regarding the other five positions available on the Board. Mr. Tenney reported that the Board members for this Fund would be geographically representative of Arizona, with 1 member from La Paz, Mohave, or Yuma county; 1 member from Cochise, Graham, Greenley, or Santa Cruz county; 1 member from Gila or Yavapai county; 1 member from Apache, Coconino, or Navajo county; 2 members from Maricopa, Pinal, or Pima county; and the 7th member being filled by the Director of the Arizona Department of Water Resources.

Councilmember O'Brien also asked if there has been any recruitment or recommendations of a member from either Pima or Pinal county. Mr. Tenney mentioned that he had brief conversations regarding this position with Southern Arizona.

Upon a motion made by Councilmember Turner and a second from Mayor Ortega, the AMWUA Board of Directors unanimously approved the recommended letter be signed by the full Board and sent to the Governor and Senate Councilmember.

6. AMWUA Financial Statements – Fiscal Year 2021 Fourth Quarter

Mr. Tenney reported that at the end of the fourth quarter, AMWUA is showing a year-to-date actual of \$139,000 under the year-to-date budget. Savings from Fiscal Year 2021 generated a

carryover credit for the Fiscal Year 2022 budget, which allowed for the second straight year of reducing assessments from the budgeted amount.

Upon a motion made by Councilmember Lopez and a second from Councilmember Lauritano, the AMWUA Board of Directors unanimously approved the AMWUA Fiscal Year 2021 Fourth Quarter Financial Statements.

3. Update on Colorado River Shortage

Mr. Tenney reported that the Bureau of Reclamation's August 24-month study release on August 16th, 2021 will trigger a Tier 1 shortage declaration effective January 1, 2022. Arizona has been expecting such a shortage and has agreed to reduce the amount of water it would receive as part of a broader plan to protect the overall health of the Colorado River system. This Tier 1 reduction would not affect the Colorado River water deliveries AMWUA members receive in 2022.

AMWUA staff have been working hard to coordinate among the AMWUA cities and regional partners in preparation for this Tier 1 shortage declaration. With the release of the August 24-month study, AMWUA has increased the messaging tools for all members and interagencies to utilize in a consistent response.

Sheri Trapp, Communications Manager, reported that the Shortage Awareness Campaign has provided consistent messaging for municipal and regional partners regarding the shortage on the Colorado River. The Campaign continues to educate on state-wide conservation efforts, specific preparations that have been done, and what investments have been made in water supplies and infrastructure. Regional agencies are currently heavily engaged in this proactive approach after the release of the August 24-month study. In addition, new supporting materials and talking points in response to questions arising from the shortage declaration have been developed in all active efforts moving forward. AMWUA and its members continue to utilize the Colorado River Shortage Awareness Campaign in external outreach efforts to ensure the narrative remains positive while also internally educating their city staff. AMWUA has strategically adapted existing messaging, blogs, and educational content to remain relevant as the situation on the Colorado River continues. AMWUA will continue the joint effort with all members and agencies at any stage of the shortage and beyond.

Mr. Tenney reported that both Lake Mead and Lake Powell sit at record low levels. Releases from Lake Powell into Lake Mead in the future will be much smaller, threatening to drop Lake Mead's levels even lower. DCP has helped to slow this decline of Lake Mead elevations, however, these observed levels signify the likelihood of a Tier 2 shortage in 2023, with an increasing probability that a Tier 3 shortage could occur in 2025. Through 2026, under the Arizona DCP Mitigation Plan, reductions in CAP M&I priority supplies that the cities may experience in a Tier 2 or Tier 3 shortage will be firmed by the Arizona Water Banking Authority. The Upper Basin States had agreed under their DCP to release water from reservoirs above Lake Powell if the situation warranted it. Reclamation has started those

synchronized releases from upstream reservoirs, which are projected to raise Lake Powell by an additional 2.6 feet in order to maintain hydropower production in the short-term. The Lower Basin DCP requires that if any 24-month study shows Lake Mead reaching elevation 1,030 feet within the next two years of that study, then the Secretary of the Interior and the Lower Basin States are to consult and determine additional measures that can be taken to prevent Lake Mead's levels from dropping to 1,020 feet. CAWCD staff said based on their forecasting, the 1,030 trigger could occur as early as November 2021. Mr. Tenney reported that this forecast is an opportunity for us to strengthen our water resources and engage with elected officials and the public on the importance of continual investment in infrastructure and technology. This includes advancing water conservation and efficiency measures, developing direct potable reuse, considering augmentation opportunities like desalination, and continuing discussions on improving groundwater management.

Councilmember Anderson asked if there was any possibility for negotiation between the Lower Basin States about Arizona's junior priority to Colorado River water. Mr. Tenney responded that the current shortage declaration has increased understanding among the Basin States to come together regardless of priority for the overall health of the Colorado River.

Councilmember Lopez asked if there was any update toward progress made in Pinal County agriculture transitioning to their groundwater supplies, as mitigation strategies from Maricopa County will end by 2023. Mr. Tenney responded that there is progress to implementing the groundwater resources in Central Arizona as the agricultural industry transitions under DCP.

4. Water Loss Control Training and Technical Assistance Program

Patrick Adams, Water Policy Advisor, reported that AMWUA has provided the Water Loss Control Training and Technical Assistance Program to nine of the AMWUA members over the last year. The Southwest Environmental Financial Center of the University of New Mexico were the participating technical support throughout the program.

The AMWUA member utilities participated in each program stages aimed to grow their respective utility water loss control program and incorporate industry standard methodologies to manage non-revenue water. The program is comprised of various trainings including utility water loss audit, leakage component analysis and validation, and economic water loss analysis, all for individual utilities to act in controlling real and apparent water loss. A wide variety of activities and resources were also provided as practice for utilities developing their own water loss programs.

Together, all members have completed a validated audit, increased the understanding of non-revenue water volumes and values, and compared the audit results to the state's loss and unaccounted-for water. Using this information, municipal utilities can take action towards their own individual operations and apply program training further. In addition, the program training has identified areas where municipalities continue to improve their water loss programs, such as data quality. Through the process of the program, the SW EFC has provided recommendations

for the utility participants, such as program management & support, data & future water audit, and water loss control activity. Recommendations for AMWUA are to continue to facilitate water loss information sharing between members and sponsor additional trainings toward water loss control efforts. The SW EFC also made recommendations to ADWR, such as coordinating interagency opportunities regarding water loss control standards as well as providing statewide training. There is continued coordination with the SW EFC on the results of this program and the SW EFC will remain a resource for members as they develop their internal water loss control programs.

C. Executive Director's Report

Mr. Tenney reported that the inflow from the productive monsoon season in Arizona this year has exceeded the runoff from the last winter in the Salt River. The combined capacity of the Salt and Verde reservoirs are 71% full.

Mr. Tenney reported that the Post 2025 AMAs Committee had recently met to focus on unreplenished groundwater withdrawals. ADWR provided a presentation regarding the different types of residual pumping within each sector, with additional discussion for how unreplenished groundwater withdrawals may be addressed. The Committee will meet again September 9th to look at the hydrologic disconnect.

Mr. Tenney reported that the upcoming League of Arizona Cities and Towns conference provides a good opportunity for engagement surrounding the Colorado River and with the CAWCD Board members for any AMWUA Board members who may attend.

D. Future Agenda Items

Councilmember Turner requested a presentation to this Board regarding automated water meters and other Advanced Metering Infrastructure (AMI) being used to reduce water loss for residents.

Councilmember Thompson noted that the duration of future Board of Director meetings will be extended to 1 hour and 30 minutes as opposed to 1 hour to ensure all items can be properly addressed.

E. Adjournment

Councilmember Thompson adjourned the meeting at 12:12 p.m.

BOARD OF DIRECTORS
INFORMATION SUMMARY
September 23, 2021

Colorado River Shortage

STRATEGIC PLAN REFERENCE

Colorado River Management & Shortage Preparation

Assist, monitor and coordinate on the impacts of shortage declarations on the Colorado River along with the Reconsultation of the 2007 Colorado River Interim Guidelines to ensure our members' interests are forefront.

- Ongoing Coordination – Pursue opportunities to assist and synchronize continuing preparation efforts.
- Enhanced Messaging – Facilitate the coordination of regional messages to ensure the public and decision makers understand how Colorado River shortage affects our water supplies; what our members have done, and continue to do, to prepare; our collective resilience to shortages; and increase the visibility and frequency of conservation awareness messaging.

Strategic Plan: Facilitate our Strength in Numbers, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Prepare for Impacts of Drought & Shortage, Minimize Financial Impacts

SUMMARY

AMWUA staff will give an update regarding current Colorado River conditions and shortage-related developments.

RECOMMENDATION

AMWUA staff is requesting that the AMWUA Board of Directors ask questions and discuss the Colorado River conditions and the shortage.

BOARD OF DIRECTORS
INFORMATION SUMMARY
September 23, 2021

Outdoor Water Initiatives

STRATEGIC PLAN REFERENCE

Demand Management & Efficiency

Continue to excel as a leader in water conservation by assisting our members in strategizing demand management and in raising awareness about ongoing conservation efforts in order to enhance water resource supply sustainability.

- Increase outdoor water efficiency including efforts to research and develop outdoor water efficiency standards.

Strategic Plan: Facilitate our Strength in Numbers, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Prepare for Impacts of Post-2025 Water Policy, Minimize Financial Impact, Interconnect Disciplines

SUMMARY

AMWUA recently updated its spreadsheet that catalogs its members' water ordinances. AMWUA staff will give a presentation about this tool and opportunities to build upon our outdoor water conservation efforts. The same presentation was shared at the September 8, 2021 AMWUA Management Board meeting.

RECOMMENDATION

AMWUA staff is requesting that the AMWUA Board of Directors ask questions and discuss possible approaches for new outdoor water initiatives.



BOARD OF DIRECTORS
INFORMATION SUMMARY
September 23, 2021

Governor's Water Augmentation Innovation & Conservation Council

ANNUAL PLAN REFERENCE

Sustainable Water Management

Evaluate and pursue our members' contribution towards efforts and policies that will sustain and safeguard our water resources 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.
- Post-2025 – Lead discussions in the Post-2025 AMAs Committee toward developing strategies and solutions to address issues associated with the AMA management structure, unreplenished groundwater withdrawals, the hydrologic disconnect, Assured Water Supply Program, the CAGR, and exempt wells.

Strategic Plan: Facilitate our Strength in Numbers, Educate – Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Prepare for Impacts of Drought & Shortage, Pursue Post-2025 Water Policy, Interconnect Disciplines

SUMMARY

The purpose of this agenda item is to provide an update regarding activities related to the Governor's Water Council and its committees, particularly the Post-2025 AMAs Committee. The Governor's Water Council is scheduled to meet September 16, 2021.

RECOMMENDATION

The AMWUA Board of Directors is encouraged to ask questions and discuss the update presented regarding the Governor's Water Council.