



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

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

MEETING NOTICE AND AGENDA

Thursday, September 22, 2022 – 11:00 a.m.

***This meeting will be held as a Hybrid meeting.
Attendance in person is welcomed; Others may join via Zoom.***

Access this [Link](#) to join via Zoom. Meeting ID: 817 7664 2841

(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 25, 2022 Meeting
 - 2. Schedule Next Meeting Date: October 27, 2022, 11:00 a.m.
 - 3. Colorado River Shortage and Conditions for 2023
- 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 may attend in person or 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 25, 2022
HYBRID MEETING

VOTING MEMBERS PRESENT

Councilmember Bart Turner, Glendale, President
Councilmember Sheri Lauritano, Goodyear, Vice President
Councilmember Scott Anderson, Gilbert, Secretary-Treasurer
Councilmember Arlene Chin, Tempe
Councilmember René Lopez, Chandler
Councilmember Curtis Nielson, Avondale
Councilwoman Ann O'Brien, Phoenix
Mayor David Ortega, Scottsdale
Councilmember Brad Shafer, Peoria
Councilmember Kevin Thompson, Mesa

OTHERS PRESENT

Patrick J. Adams, AMWUA	Ray Diaz, Goodyear	Kathy Macdonald, Mesa
Erin Andres, Phoenix	Brian Draper, Mesa	Jenna Norris, Peoria
Alexis Apodaca, Chandler	Sam Draper, AMWUA	Ryan Peters, Glendale
Alexandra Arboleda, CAP	Paulette Fenderson, Phoenix	Diana Pina, AMWUA
Amy Arguilez, Gilbert	Kathy Ferris, AMWUA	Cape Powers, Peoria
Michelle Barclay, AMWUA	Brett Fleck, Peoria	John Raeder, Peoria
Gretchen Baumgardner, Scottsdale	Wesley Gerard, ASU	Tammy Shreeve, Peoria
Jill Brumand, Scottsdale	Terry Goddard, CAP	Tony Staffaroni, CAP
Kirk Beaty, Avondale	Jake Golden, Phoenix	Drew Swieczkowski, Glendale
Anthony Beckham, SRP	Lisa Gray, CliftonLarsonAllen	Mark Taylor, CAP
Rob Bohr, Gilbert	Tonya Gray, Tempe	Warren Tenney, AMWUA
Jennifer Brown, CAP	Nadene Hubbard, ADWR	Sheri Trapp, AMWUA
Craig Caggiano, Tempe	Simone Kjolsrud, Chandler	Stefan Walston, Gilbert
Cynthia Campbell, Phoenix	Elisa Klein, Scottsdale	Tammi Watson, CAP
Shane DePinto, SRP	Jacob Perez Laurent, AMWUA	Emily Webb, Peoria
		Marge Zylla, Tempe

A. Call to Order

Councilmember Turner called the meeting to order at 11:00 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the June 23, 2022 Meeting

Upon a motion made by Mayor Ortega and a second from Councilmember Anderson, the AMWUA Board of Directors unanimously approved of the June 23, 2022 meeting minutes.

2. Schedule Next Meeting Date: September 22, 2022, 11:00 a.m.

3. Colorado River Update

Mr. Tenney reminded Board members of the June 14th announcement from the Bureau of Reclamation (Reclamation), where Commissioner Touton reported that the conditions on the Colorado River continue to worsen. The Commissioner testified that emergency action is necessary to protect reservoir storage and prevent critical elevations in Lakes Powell and Mead and called for reductions of 2-4 million acre-feet of water use in 2023. The Basin States negotiated for 60 days following the announcement, with Arizona advocating for protection of the CAP and a non-voluntary Basin-wide reduction to save the river system. A proposed plan from Arizona and Nevada was rejected from Reclamation and California; the Upper Basin proposed a 5-point plan that does not offer any water contributions. By August 15th, the Lower Basin States were unable to reach an agreement on how to generate 2 MAF of system conservation.

Mr. Tenney reported that on August 16th, Reclamation declared a Tier 2a Shortage, though no additional follow-up was given on the 2-4 million acre-feet mandate, nor a roadmap on how to achieve these reductions. This lack of action has prompted elected officials and water managers in Arizona and Nevada to publicly call upon Reclamation to take action to protect the River. Mr. Tenney reported that a Tier 2a Shortage is not enough to save the Colorado River system. Reclamation's modeling shows that working within the current framework will lead to depleted reservoir storage over the next 5 years. Without taking actions to reduce the water use basin wide, Reclamation reports there would be catastrophic consequences. Mr. Tenney stated we cannot rely on above average runoff any longer, and the solution is to take larger cuts throughout the Basin now to help ensure stability of Colorado River supplies for all users in the future. Mr. Tenney reported that the current situation is grim unless Reclamation commits to take actions on the River.

Sheri Trapp, Communications Manager, reported that the Colorado River Shortage Awareness Campaign remains relevant and is still being used by member municipalities; however, the increased uncertainty currently surrounding the Colorado River prompted AMWUA to create updated messaging. These messages have been adjusted to respond to information provided by the August 24-month study and a municipal response to the lack of Reclamation's additional reduction measures. In addition, these messages promote direct conservation actions that can be achieved by customers of water providers. Ms. Trapp then reviewed the updated messages built from the Shortage Awareness Campaign.

Mr. Tenney added that Reclamation is seeking input into the 2026 reconsultation process, with comments due on September 1st. ADWR and CAP intend to submit statewide comments, though Mr.

Tenney reported the municipal sector must convey its perspective and needs throughout reconsultation. AMWUA has drafted a letter and is working to assist municipal members on supporting letters on their own. Finally, Mr. Tenney noted that the uncertainty about the Colorado River emphasizes the importance of water-wise decisions including investment in water resources and infrastructure.

Councilmember Thompson asked if AMWUA is involved in the Arizona Reconsultation Committee (ARC). Mr. Tenney reported that the water resource manager or directors for the cities of Phoenix, Goodyear, and Scottsdale are directly part of the ARC discussions.

Councilmember Lauritano asked if the Upper Basin stakeholders are aware of the threat to power production at the reservoirs. Mr. Tenney responded that is an issue, though the larger concern is whether water can even flow through the dam infrastructure at certain low levels.

Mayor Ortega commented that the City of Scottsdale will be informing stakeholders of the urgency on the Colorado River in an open forum. He reported that future discussions may center around the costs of water, how adaptable cities can all be with current supplies, and the local actions cities must all take.

Councilmember Lopez asked if the depicted Lake Mead elevation levels account for the water held back from release in Lake Powell. Mr. Tenney reported that the Tier 2a declaration is being determined with water held behind in Lake Powell and that the modeling shared by AMWUA does account for the actual elevation levels of water. Councilmember Lopez asked if the actions from the Drought Contingency Plan (DCP) have had their intended effect regarding mitigation and conservation. Mr. Tenney responded that DCP's agreements has allowed more time. Arizona has been abiding by the agreements of the DCP as well as contributing system conservation, but AMWUA supports messages from ADWR and CAP that everyone needs to now step up to protect the River. Councilmember Lopez asked if Pinal County DCP mitigation is still in place to enhance well infrastructure. Mr. Tenney responded that under a Tier 2a, that mitigation for agriculture is still in place, and wouldn't go away until a Tier 3 declaration.

Councilmember Anderson asked if the Arizona Congressional delegation is aware of the seriousness on the Colorado River, and what may need to be done. Mr. Tenney responded that AMWUA will send its concerns outlined to Reclamation also to the Congressional delegation. He added that AMWUA intends to communicate about the municipal concerns related to the River and encouraged Board members to inform legislators when the opportunity arises. Councilmember Shafer added that more leadership is needed on these issues at the state and regional level, and cities will need to be leaders locally. Councilmember Turner added that if all the states are unable to come to a decision, it is clear there needs to be federal leadership to solve this problem.

Councilwoman O'Brien asked if the proposed letter to Reclamation has been sent out. Mr. Tenney responded that it will be sent later that afternoon.

Councilmember Lopez asked if impact of using Intentionally Created Surplus is added into the modeling of the hydrology. He insisted that this consideration must be accounted, as well as the concern of whether power production may even be achievable to move water. Mr. Tenney responded that utilities have recognized this concern though he was unsure of how it is included in

the modeling. Mr. Tenney added that while the federal government has stated they won't let the system crash, AMWUA remains concerned by the lack of direction to prevent it.

4. Overview of Water Conservation

Sam Draper, Conservation & Efficiency Manager, gave an overview of past conservation efforts in Arizona, both by the state and cities, and the current conservation actions being done by the AMWUA members. Ms. Draper then reported on the possible enhancements that could be made to members' conservation programs including support and expand conservation staff teams; encourage inter-department cooperation within the city; leverage the existing resources created; quantify conservation efforts; and prioritize reducing consumptive use.

Mr. Tenney emphasized that conservation alone will not solve our Colorado River challenges, but that conservation is important for our long-term sustainability, and that water conservation programs take a lot of time and labor to effectively administer and make a positive difference. He added that with less Colorado River water in our future, conservation will become an even more important tool for demand management, and for members to consider how to encourage even more integration of their conservation teams within their city.

Councilmember Anderson noted that with all the efforts being done by the cities, perhaps the CAP Board would better allocate support for conservation in other ways besides a proposed conservation initiative, such as with the rates. Mr. Tenney responded that the biggest area for more assistance in conservation would be increasing public awareness and support of municipal conservation practices and the increased staffing to implement those programs successfully.

Councilmember Turner noted that he requested his water conservation staff to give briefings or talking points regarding conservation and encouraged other Board members to do the same. He also noted how important quantifying conservation will be to enhancing these practices.

Councilwoman O'Brien noted how the City of Phoenix will be implementing specific water smart techniques for new developments, including natural landscapes and efficient irrigation practices.

CAP Board President Terry Goddard requested to make a comment to emphasize that the situation on the Colorado River is in crisis, and cities are in a position to inform customers and demand action from Reclamation leadership. He stated that the Basin States must now double their efforts to save the Colorado River system. Mr. Goddard then noted that with the 2026 Reconsultation approaching, conservation within the Basin States will be front and center. He continued that both the actual water-savings and the public perception of effective conservation will be important moving forward and beseeched the cities to continue pushing their efforts across the Basin States.

5. AMWUA Fiscal Year 2022 Quarterly Financial Statements – Fourth Quarter

Mr. Tenney reported that the fourth quarter financial report for last fiscal year shows that AMWUA's expenses were \$77,258 under budget. There was a projected \$45,000 carry-over for the FY23 budget but since the actual carry-over ended up being approximately \$30,000 more, member due assessments were adjusted for this fiscal year.

Upon a motion made from Councilmember Shafer and a second from Councilmember Lauritano, the AMWUA Board of Directors approved the quarterly financial statements for the fourth quarter as presented.

C. Executive Director's Report

Mr. Tenney reported that AMWUA was successful in ensuring funds for ADEQ to complete the regulatory framework for Direct Potable Reuse by the end of 2024. ADEQ is putting together a Technical Advisory Group to help guide the development of the new Direct Potable Reuse regulatory framework.

Mr. Tenney also reported on the details surrounding the passed WIFA legislation. The Board will be comprised of nine members, with applications due by Sept 15th. Maricopa County has the potential to have up to three members and there is a goal to have the Board selected by September 24th. He reported that once the administrative configuration of WIFA has been completed, it is anticipated they will begin evaluating new water projects as early as the new year.

D. Future Agenda Items

There were no future agenda items requested at this time.

E. Adjournment

Councilmember Turner adjourned the meeting at 12:38 p.m.

BOARD OF DIRECTORS
INFORMATION SUMMARY
September 22, 2022

Colorado River Shortage and Conditions for 2023

ANNUAL 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 such as identifying ways to strengthen members' drought (shortage) preparedness plans.
- Risks – Analyze long-term risks of shortages to our members
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 the Tier 2 Shortage declaration for 2023. However, it is uncertain how much Colorado River water the cities will eventually receive in 2023 since Reclamation has said additional reductions are needed but have provided no specificity nor the Colorado River Basin States have developed a plan for reducing demand. We will also review recent efforts to protect the River and discuss what actions might be taken for future efforts. AMWUA staff also continues to update messaging to reflect this current uncertain situation with the Colorado River shortage.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions and discuss the Colorado River shortage.