



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

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

MEETING NOTICE AND AGENDA

Thursday, January 26, 2023 – 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: 829 1287 3131
(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 December 7, 2022 Meeting
2. Schedule Next Meeting Date: Thursday, February 23, 2023, 11:00 a.m.
3. 2023 Legislative Session
4. Colorado River Conditions
5. Status of Water Infrastructure Finance Authority
6. Agreement for Financial and Accounting Services

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
December 7, 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
Councilmember Brad Shafer, Peoria
Councilmember Kevin Thompson, Mesa

VOTING MEMBERS NOT PRESENT

Councilwoman Ann O'Brien, Phoenix
Mayor David Ortega, Scottsdale

OTHERS PRESENT

Barry Aarons, Aarons Co.	Barbara Chappell, Tempe	Jenna Norris, Peoria
Patrick J. Adams, AMWUA	Ray Diaz, Goodyear	Jacob Perez Laurent, AMWUA
Liz Barker Alvarez, Avondale	Sam Draper, AMWUA	Diana Pina, AMWUA
Alexis Apodaca, Chandler	Kathy Ferris, AMWUA	Cape Powers, Peoria
Amy Arguilez, Gilbert	Brett Fleck, Peoria	Tammy Shreeve, Peoria
Michelle Barclay, AMWUA	Lisa Gray, CliftonLarsonAllen	Drew Swieczkowski, Glendale
Gretchen Baumgardner, Scottsdale	Tonya Gray, Tempe	Warren Tenney, AMWUA
Kirk Beaty, Avondale	Lauren Hixson, Gilbert	Sheri Trapp, AMWUA
Brad Berles, Palo Verde	Sandra House, Glendale	Theresa Ulmer, Ulmer Consulting
Rob Bohr, Gilbert	Hayley Howard, Aarons Co.	Tammy Watson, CAP
Craig Caggiano, Tempe	Simone Kjolsrud, Chandler	Emily Webb, Peoria
Ginna Carico, Goodyear	Jack Lunsford, Lunsford Group	Brittney Williams, Heinfeld Meech

A. Call to Order

Councilmember Turner called the meeting to order at 11:01 a.m.

Following rollcall, Councilmember Turner bid farewell to Councilmembers René Lopez and Kevin Thompson, acknowledging their service on the AMWUA Board of Directors.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the October 27, 2022 Meeting

Upon a motion made by Councilmember Thompson and a second from Councilmember Shafer, the AMWUA Board of Directors unanimously approved of the October 27, 2022 meeting minutes.

2. Schedule Next Meeting Date: Thursday, January 26, 2022, 11:00 a.m.

3. 2023 Legislative Session

Mr. Patrick Adams, AMWUA Water Policy Advisor, reported that AMWUA held its first Vetting Forum along with a Water 101 for new legislators in preparation for the upcoming session. In January, AMWUA will host a Legislative Breakfast at the State Capitol for AMWUA members to engage with new legislators. Mr. Adams reported that the new state administration and the number of new members in the Legislature makes this legislative session difficult to predict. Mr. Adams reported that one possible proposal may be to relax the 100-year Assured Water Supply standard, which AMWUA will work to oppose. Mr. Adams reported that the overall strain on the Colorado River supplies makes it important to protect existing groundwater principles throughout the session. Mr. Adams reported on the multiple bills AMWUA worked in support of or in opposition to through the 2022 session, and stated AMWUA will continue this momentum into 2023.

Theresa Ulmer, AMWUA Legislative Consultant, reported she anticipates a new bill to clean up the recently passed WIFA legislation.

Councilmember Turner encouraged members to share the AMWUA Water 101 recording as a resource for educating officials, fellow council members, and the public.

4. Colorado River Conditions and Potential Responses

Mr. Tenney reported that the Colorado River negotiations remain uncertain, and it may not be until next year that the Bureau of Reclamation begins unilateral decisions to protect the river. Reclamation has begun a series of actions to try to stabilize the system, including the ongoing voluntary conservation programs, reducing releases from Powell to Mead over the next two years, accounting for Lower Basin evaporation and system losses, as well as evaluating possible revisions to the 2007 Interim Guidelines shortage triggers and reductions.

Mr. Tenney reported on the current procedures for reducing possible releases from Lake Powell, noting the reduced releases in 2023 and 2024 would drop Lake Mead below 1,000 feet. Mr. Tenney reported that Reclamation has also published a Notice of Intent to evaluate modifications to the 2007 Interim Guidelines, making a case that the current guidelines are not enough to protect the river. These actions include the reduced releases from Lake Powell to Mead, decreasing quantities of available water in later Tier shortages, and revising mid-year adjustment processes. Reclamation is seeking comments on its process by December 20th.

Mr. Tenney reported that while voluntary conservation may provide some relief, it is not sufficient to stabilize the reservoirs. He stressed that the reduced releases from Powell could drive Lake Mead into sharp declines, well below Tier 2 elevations and the AMWUA members must use 2023 to prepare for Colorado River demand reductions. In addition, AMWUA is developing comments on Reclamation's proposed process to revise the 2007 Interim Guidelines to advocate for equitable measures.

Ms. Sheri Trapp, AMWUA Communications Manager, reported that AMWUA has collaborated with ADWR, CAP, SRP, and the Arizona Agribusiness Council to express Arizona's unity and commitment to conservation at the upcoming Colorado River Water Users Association conference. Ms. Trapp reported AMWUA is developing Conservation Talking Points, noting the conservation achievements of Arizona and the AMWUA cities. These talking points are being reviewed with members' conservation and water resources staff and will be distributed to members and regional partners.

Ms. Trapp reported that AMWUA facilitated another Regional Communications meeting last month, collaborating on addressing frequent topics brought by the public and media. AMWUA is creating FAQ guides to answer questions surrounding the Colorado River, development and growth in cities, and Arizona's history of conservation.

Councilmember Shafer commented that Peoria staff has reviewed a proposal for voluntary system conservation but noted they will need legal clarity if voluntary reductions count with the anticipated mandatory reductions in the future. Councilmember Lauritano agreed, noting one of the problems is whether the voluntary reductions saved in the reservoirs will just be used regardless by higher priority users. Councilmember Chin added that when educating about conservation, it is important to differentiate the impacts of broad system conservation and more focused end-user conservation.

Councilmember Anderson asked how Reclamation is negotiating with the Upper Basin States. Mr. Tenney reported that in efforts to bolster Lake Powell, Reclamation will release additional water from reservoirs north of Glen Canyon Dam. He noted that while there are two basins, Reclamation will need to take action to protect the entirety of Colorado River system.

Councilmember Turner noted that while Reclamation will need 2-4 million acre-feet of reductions to stabilize the Lakes, California is only offering to provide up to 400,000 acre-feet in voluntary system conservation. He noted that while we would all prefer an agreement among the Lower Basin, these proposed contributions do not align with the needed reductions and will require unilateral action.

5. [AMWUA Fiscal Year 2023 Quarterly Financial Statements – First Quarter](#)

Mr. Tenney reported that members received a copy of the AMWUA revenue and expense statements for July 1, 2022 through September 30, 2022. At the end of the first quarter for Fiscal Year 2023, AMWUA is showing that the year-to-date actual expenses are \$46,874 under

the year-to-date budget, primarily due to having a position vacant along with other expenses having not yet occurred.

Upon a motion made by Councilmember Shafer and a second from Councilmember Chin, the AMWUA Board of Directors unanimously approved of the AMWUA Fiscal Year 2023 Quarterly Financial Statements for the 1st Quarter.

6. AMWUA Annual Financial Audit Report for Fiscal Year 2022

Mr. Tenney reported that members received the audit conducted by Heinfeld Meech & Co for Fiscal Year 2022. He reported that AMWUA's finances are in good standing, though the audit did cite a general finding about inconsistency in a secondary review of AMWUA's existing internal controls in conjunction with the new accounting guidelines known as GASB 87. This was due to AMWUA's financial consulting firm experiencing a management change during FY2022. Mr. Tenney stated that this temporary lapse in the secondary review has been remedied as a new manager has been permanently assigned to the AMWUA account.

Upon a motion from Councilmember Nielson and a second by Councilmember Thompson, the AMWUA Board of Directors unanimously approved of the AMWUA Annual Financial Audit Report for Fiscal Year 2022.

7. Nominating Committee for AMWUA Board Officers for 2023

Councilmember Thompson reported that the AMWUA Board Nominating Committee recommends retaining Councilmember Bart Turner from Glendale to serve as the AMWUA Board President, Councilmember Sheri Lauritano from Goodyear to serve as Board Vice President, and Councilmember Scott Anderson from Gilbert to serve as Board Secretary-Treasurer.

Upon a motion by Councilmember Nielson and a second from Councilmember Shafer, the AMWUA Board of Directors unanimously approved the recommended slate for 2023 AMWUA Board Officers.

C. Executive Director's Report

Mr. Tenney reported that the Board has received the anticipated members' assessments for Fiscal Year 2023.

Mr. Tenney reported on the projects being worked on by AMWUA staff over the last months of the calendar year. He expressed his appreciation for the AMWUA team and voiced appreciation for both Councilmember Lopez and Councilmember Thompson and their service on the AMWUA Board.

D. Future Agenda Items

Councilmember Nielson reported on the vertical farming company, Onepointone, located in Avondale and their progress in water efficient farming. He suggested the Board coordinate a visit to the facility in the future to observe the platform and its potential water savings. Councilmember Nielson also requested more information on the cities of Buckeye and Surprise and where they obtain their water.

Councilmember Lauritano requested more information about agricultural water use to help supplement conservation messages about municipal water use and urban farming within city service areas. Councilmember Nielson added that it would be helpful to know comparisons of water use by acre between agricultural crops and urban development and housing.

Councilmember Shafer requested AMWUA examine Lake Pleasant's elevation levels as the shortage of Colorado River water continues in the following years.

E. Adjournment

Councilmember Turner adjourned the meeting at 1:14 p.m.

BOARD OF DIRECTORS
UPDATED JANUARY 24, 2023
INFORMATION SUMMARY
January 26, 2023

2023 Legislative Session

ANNUAL PLAN REFERENCE

Legislation

Effectively advocate with one voice at the Legislature.

- Monitor, analyze and clarify state and federal legislation of interest to our members.
- Engage with legislators to inform them about the issues important to AMWUA including identifying and working with legislators to champion water issues.

Strategic Plan: Collaborate and Advocate for Solutions, Safeguard Water Supplies, Reinforce Groundwater Management, Prepare for Impacts of Drought & Shortage, Pursue Post-2025 Water Policy

SUMMARY

The First Regular Session of the 56th Legislature began on January 9, 2023. To date, nearly 700 measures have been introduced. The makeup of the Legislature has drastically changed as there are over 30 new lawmakers holding office in the 2023 Legislative Session.

In preparation for the 2023 Legislative Session, AMWUA and Agribusiness & Water Council have facilitated multiple *Vetting Forum for Water meetings*, and AMWUA has also held a Water 101 seminar. The AMWUA 2023 Legislative Agenda was approved by the Board of Directors on October 27, 2022.

AMWUA staff and Legislative Contractor will provide an overview of relevant legislation that has been introduced to date as well as an outlook on what may take place during the upcoming session.

RECOMMENDATION

It is recommended that the AMWUA Board of Directors discuss and ask questions regarding legislation impacting AMWUA's members. The Board packet includes a list of bills that staff are recommending the Board take action on.

Depending on the introduction of legislation before the January 26, 2023 meeting, the AMWUA Board of Directors may be asked to provide direction regarding additional legislation.

SUGGESTED MOTION

I move that the AMWUA Board of Directors adopt the following legislative positions as outlined in the Board packet:

SUPPORT

HB 2048 assured water; small residential developments (Bliss)
HB 2164 subsequent irrigation; non-expansion areas; procedures (Stahl Hamilton)
HB 2260 wells; permits; spacing rules (Cano)
HB 2266 groundwater pumping; measuring; reporting (Cano)
HB 2406 | SB 1079 water treatment facilities; loan repayment (H: Terech | S: Shope)
HB 2443 navigable stream adjudication commission; extension (Griffin)

MONITOR

HB 2026 appropriation; on-farm efficiency fund (Dunn)
HB 2278 well drilling; groundwater basins (Cano)
***HB 2323** water augmentation fund; brackish groundwater (Kolodin & 4 others)
HB 2372 Colorado River water transfers; limit (Biasiucci & 2 others)
HB 2376 agricultural land; foreign ownership; prohibition (Biasiucci & 9 others)
HB 2438 board of supervisors; powers; water (Griffin)
HB 2442 temporary non-expansion area (Griffin)
HB 2448 appropriation; groundwater; Santa Rosa canal (Martinez & 2 others)
***SB 1090** groundwater pumping; foreign ownership; prohibition (Kern)

** indicates bills added to the legislative summary on January 24, 2023*

HB 2026 appropriation; on-farm efficiency fund (Dunn)

Appropriates \$30 million to the “On-farm irrigation efficiency fund” created in the 2022 legislative session. The Fund is administered by University of Arizona and designed to fund improvements in irrigation water efficiency. The Fund is reportedly on track to have spent the entire \$30 million appropriation from the 2022 budget, offering \$1,500 per AF. For more information: <https://extension.arizona.edu/water-irrigation-efficiency-program>

Recommended Position: Monitor

HB 2048 assured water; small residential developments (Bliss)

The bill would require any developer who seeks a building permit for 6 or more residences in an unincorporated area of an AMA to apply for a Certificate of Assured Water Supply (AWS). This proposed concept differs from the existing AWS regulations by triggering the requirement with a building permit, rather than subdivision plat. It also requires a Certificate for rental properties, which are currently exempted from the AWS Program.

Recommended Position: Support, seek amendments

HB 2164 subsequent irrigation; non-expansion areas; procedures (Stahl Hamilton)

This measure introduces a number of modifications to the procedures for establishment of new irrigation non-expansion areas (INA). The proposal would allow ADWR to consider projected rates of groundwater withdrawal as part of the determination of a new INA. The bill also clarifies which entities are eligible to petition the State to create a new INA and requires that petitioners submit a groundwater model and hydrologic assessment using methodology approved by the ADWR Director. The language aligns with the suggested statutory changes presented by ADWR in the summer of 2017 during the Governor’s Water Solutions Conversations. The bill has been introduced successively for a number of years, and AMWUA has supported the legislation.

Recommended Position: Support

HB 2260 wells; permits; spacing rules (Cano)

Requires that ADWR adopt rules governing the location of new and replacement wells >35 gpm located outside of AMAs, within groundwater basins that the Director determines to be experiencing declining groundwater levels. AMWUA has historically supported legislation to this effect.

Recommended Position: Support

[HB 2266](#) groundwater pumping; measuring; reporting (Cano)

Requires measuring, monitoring and annual reporting for nonexempt groundwater wells throughout the state. Water users who irrigate 10 or fewer acres that are not part of a larger farming operation, or water users who pump <10 acre-feet per year for non-irrigation use are exempted from this requirement. AMWUA supported this legislation in the 2020 and 2021 sessions.

Recommended Position: Support

[HB 2278](#) well drilling; groundwater basins (Cano)

Establishes a well drilling moratorium that prevents new wells in the Upper San Pedro and Verde Valley groundwater subbasins until the conclusion of the General Stream Adjudication unless a well is a replacement well or does not pump subflow. AMWUA adopted a “Monitor” position on this legislation in the 2020, 2021, and 2022 sessions.

Recommended Position: Monitor

***[HB 2323](#) water augmentation fund; brackish groundwater (Kolodin & 4 others)**

Currently, WIFA’s Long-Term Water Augmentation (LTWA) Fund carries a stipulation that 75% of the monies must be spent on a water supply development project that imports water from outside of Arizona. HB 2323 modifies the statutes to characterize brackish groundwater desalination as an importation project for the purposes of being eligible for this funding. Brackish groundwater desalination would already be eligible for the other 25% of LTWA Fund monies without this statutory change.

Recommended Position: Monitor

[HB 2372](#) Colorado River water transfers; limit (Biasiucci, Gillette, Borrelli)

This bill prohibits transfers of Colorado River P4 entitlements from La Paz County, Mohave County, and Yuma County to other areas of the state. The pending Queen Creek transfer is exempted from this prohibition. This language was introduced in 2022 as a strike-everything amendment that faced lawmaker concerns and opposition from CAP and the development community. Additional legislative intent language has been added that characterizes transfers as an attempt to circumvent “Colorado River water reductions by replacing those reductions with transferred water.”

Recommended Position: Monitor

[HB 2376](#) agricultural land; foreign ownership; prohibition (Biasiucci & 9 others)

Prohibits the Arizona State Land Department from leasing or subleasing agricultural state lands to an entity that is a foreign government or is a subsidiary of a foreign government. This legislation is a response to the reports of Fondomonte, a Saudi Arabian company, growing alfalfa for export on state lands with no pumping restrictions.

Recommended Position: Monitor

[HB 2406](#) | [SB 1079](#) water treatment facilities; loan repayment (H: Terech | S: Shope)

Removes the statutory requirement that cities and towns larger than 150,000 are required to hold an election to receive approval for a WIFA loan. The election requirement is an unnecessary stipulation as municipal loan agreements go before publicly elected city councils. The requirement causes additional delays and expenses for cities that seek federal infrastructure funds, and only impacts municipalities above the 150,000-person threshold. AMWUA ran this legislation in 2022, and SB 1079 has been introduced on AMWUA's behalf by Senator Shope.

Recommended Position: Support

[HB 2438](#) board of supervisors; powers; water (Griffin)

Expands the authorities of a County Board of Supervisors to allow participation "in water reuse and recycling programs and regional wastewater recharge projects and related infrastructure." Similar legislation was introduced last session on behalf of the Pinal County Board of Supervisors.

Recommended Position: Monitor

[HB 2442](#) temporary non-expansion area (Griffin)

This bill establishes procedures for the creation of a "temporary non-expansion area" (TNA) that prohibits irrigation of new acreage for a period of 5 years. To establish a TNA, at least 50% of "irrigation users of groundwater" or 10% of registered voters residing within the groundwater basin must submit a petition to the ADWR Director. After ADWR holds a public hearing on the TNA, the establishment of the TNA will be determined by election of all registered voters within the proposed boundaries. A majority of voters must approve the formation of the TNA for the regulations to take effect.

Recommended Position: Monitor

[HB 2443](#) navigable stream adjudication commission; extension (Griffin)

This bill extends the legislative authorization for the Arizona Navigable Stream Adjudication Commission (ANSAC) for four years to June 30, 2028. The ANSAC is charged with determining which of Arizona’s rivers and streams were navigable at time of statehood. If determined to be navigable at time of statehood, the land beneath the watercourse is subject to ownership by the State to be held in public trust. If non-navigable, the watercourse is subject to ownership by the person whose property it crosses. The commission is scheduled to sunset on June 30, 2024.

Recommended Position: Support

[HB 2448](#) appropriation; groundwater; Santa Rosa canal (Martinez, Cook, Smith)

Appropriates \$25 million to ADWR to “distribute equally between the irrigation districts that are constructing infrastructure in furtherance of the purposes of the settlement between the [MSIDD], the [CAIDD] and the Ak-Chin Indian Community and with respect to the delivery of groundwater by the districts by means other than the Santa Rosa canal.”

Recommended Position: Monitor

[*SB 1090](#) groundwater pumping; foreign ownership; prohibition (Kern)

“A corporation or other entity in which the government of another country has a controlling interest is not eligible to pump groundwater in this state.” Controlling interest is defined as direct or indirect ownership of at least 80% of the voting shares or interests of the entity.

Recommended Position: Monitor

BOARD OF DIRECTORS
INFORMATION SUMMARY
January 26, 2023

Colorado River Conditions

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. The Tier 2a shortage became effective January 1, 2023 for the operations of Lake Mead and Lake Powell during this year. AMWUA developed and shared with its members a fact sheet about the Tier 2a shortage and Colorado River situation.

The US Bureau of Reclamation has started a process to revisit the operating guidelines for Lake Powell and Lake Mead and is targeting Summer 2023 to have updated guidelines. The Colorado River Basin States have been asked to make a proposal on how Reclamation should revise the operating guidelines by the end of this month; however, it is unlikely that all seven states will reach an agreement. It is anticipated that Reclamation will still take action that will impact the operations of the River in 2024.

RECOMMENDATION

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

BOARD OF DIRECTORS
INFORMATION SUMMARY
January 26, 2023

Status of Water Infrastructure Finance Authority

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.

- Augmentation – Engage in water augmentation discussions and advocate for our members perspective per the Augmentation Principles.

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

Last session's key water legislation was the restructuring of the Water Infrastructure Finance Authority (WIFA) which gave WIFA the responsibility to administer three new funds – the Long-term Water Augmentation Fund (\$1 billion), Water Supply Development Revolving Fund (\$200 million), and the Water Conservation Grant Fund (\$200 million) – in addition to the federal funds already managed by WIFA. AMWUA supported SB 1740 after working with stakeholders on improving the legislation.

Following the appointments of the Board members in the fall, the new WIFA Board of Directors held its first meeting in November. On very short notice, the WIFA Board also convened in December to consider a proposal for a desalination plant on the Sea of Cortez that would pipe the water into Maricopa County. The speed at which this proposal was considered by the WIFA Board generated significant controversy, and the Board ultimately approved a non-binding resolution that directed WIFA staff to further investigate the proposal.

AMWUA staff will review the desalination proposal and circumstances around the recent events related to WIFA.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions and discuss the new Water Infrastructure Finance Authority and its initial efforts.

BOARD OF DIRECTORS
INFORMATION SUMMARY
January 26, 2023

Agreement for Financial and Accounting Services

STRATEGIC PLAN REFERENCE

Operational Principles – Manage an Efficient and Effective Association

SUMMARY

AMWUA has been utilizing the services of CliftonLarsonAllen to oversee the association's finances and accounting. When CliftonLarsonAllen recently requested a fee increase, AMWUA staff decided that it would be most appropriate to request proposals for financial and accounting services as it had been more than five years since the last selection process. AMWUA conducted a competitive process that included sending a request for proposals to 17 accounting firms. Three proposals were received and interviews were conducted with two of the firms. The interview panel included Karen Peters, Deputy City Manager of Phoenix and member of the AMWUA Management Board; Dan Hatch, Administrator of Water Services for Glendale; Kelly Pfof, Management & Budget Director for Gilbert; along with Diana Pina and Warren Tenney of AMWUA. The interview panel has decided to recommend the firm CliftonLarsonAllen.

CliftonLarsonAllen is a respected national firm with a strong presence in Arizona. CliftonLarsonAllen is able to cover the various financial and accounting services that AMWUA requires as demonstrated over the last five years. The agreement would be through June 30, 2024 with the option to renew annually for five years. The annual rate is \$47,220 or \$3,935 per month. This rate would be through Fiscal Year 2024 with the subsequent four years allowing for a five percent annual increase, which is consistent with the industry standard. The Fiscal Year 2023 budget includes funds for this agreement. AMWUA's Legal Counsel has reviewed the agreement.

RECOMMENDATION

At the January 11, 2023 meeting, the AMWUA Management Board recommended that the AMWUA Board of Directors authorize the AMWUA Executive Director to enter into an agreement for financial and accounting services with CliftonLarsonAllen.