



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

**ARIZONA MUNICIPAL WATER USERS ASSOCIATION
MANAGEMENT BOARD**

MEETING NOTICE AND AGENDA

Wednesday, September 13, 2023 – 10:00 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: 824 1160 2454
(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 9, 2023, Meeting
 - 2. Schedule Next Meeting Date: October 11, 2023, 10:00 a.m.
 - 3. Overview and Status of the Governor’s Water Policy Council
- C. Member Reports**
- D. Executive Director’s Report**
- E. Future Agenda Items**
- F. Adjournment**

*The order of the agenda may be altered or changed by the AMWUA Management Board. Members of the AMWUA Management Board 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

MANAGEMENT BOARD

MEETING MINUTES

August 9, 2023

HYBRID MEETING

MEMBERS PRESENT

Chris Hassert, Mesa, Chair
Brian Biesemeyer, Scottsdale, Vice Chair
Kirk Beaty, Avondale
Barbara Chappell, Goodyear
Brett Fleck for David Burks, Peoria
Tara Ford, Tempe
Troy Hayes, Phoenix
John Knudson, Chandler
Jessica Marlow, Gilbert
Ron Serio, Glendale

OTHERS PRESENT

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|----------------------------------|---------------------------|-----------------------------|
| Gretchen Baumgardner, Scottsdale | Jake Golden, Phoenix | Abigail O'Brien, Mesa |
| Paul Bergelin, AMWUA | Lauren Hixson, Gilbert | Jacob Perez Laurent, AMWUA |
| Silvana Burgos, Goodyear | Simone Kjolsrud, Chandler | Diana Pina, AMWUA |
| Craig Caggiano, Tempe | Kathy MacDonald, Mesa | Tina Sleeper, Tempe |
| Cynthia Campbell, Phoenix | Marisa Manheim, ASU | Martin Stiles, CAP |
| Harry Cooper, AMWUA | Christa McJunkin, SRP | Drew Swieczkowski, Glendale |
| Shane DePinto, SRP | Leslie Meyers, SRP | Warren Tenney, AMWUA |
| Ray Diaz, Goodyear | Scott Miller, APS | Sheri Trapp, AMWUA |
| Brian Draper, Mesa | Brad Moore, AMWUA | Stefan Walston, Gilbert |
| Kathleen Ferris, AMWUA | Jenna Norris, Peoria | Adam Wiechman, ASU |
| Sherry Garcia, AMWUA | | |

A. Call to Order

Mr. Hassert called the meeting to order at 10:02 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the June 14, 2023, Meeting

Upon a motion made by Mr. Hayes and a second by Mr. Biesemeyer, the AMWUA Management Board unanimously approved of the June 14, 2023, meeting minutes.

2. [Schedule Next Meeting Date: Wednesday, September 13, 2023, at 10:00 a.m.](#)
3. [Conversation with Leslie Meyers, SRP's Chief Water Executive](#)

Mr. Hassert welcomed Ms. Meyers, Associate General Manager for Water Resources at Salt River Project and Christa McJunkin, Senior Director of Water Supply and System. Mr. Hassert asked Ms. Meyers to provide an update on SRP and how SRP interacts with AMWUA cities.

Ms. Meyers discussed the latest organizational structure at SRP. Ms. Meyers shared that when Jim Pratt, SRP's new General Manager started, he reorganized and reconnected the water resources team and the water operation and customer services group together under a new organizational title, "Water Stewardship". She stated that this was to balance out the organization and reconnect the water groups. SRP has two senior directors, one for water policies and one for water operations. Ms. Meyers also shared that SRP is developing a site where they will upload the organizational chart, monthly reports, and any other pertinent information where others can access the latest information.

Mr. Hassert asked for an update regarding Bartlett Dam. Ms. McJunkin reported that SRP is in the process of preparing a supply and demand assessment to establish the need based on the criteria that the steering group has developed. This information will be placed on a unified shared spreadsheet for transparency, evaluation, and comparison of the different approaches taken by each of the participants.

Ms. McJunkin reported that the Roosevelt Habitat Conservation Plan amendment, which would allow greater utilization of the flood control space, has been submitted and the public comment period has begun. It is on schedule to have it completed in time for the upcoming runoff season. The reservoirs are full, and we should enter the runoff season at 90% full.

Mr. Hassert asked for an update on the SRP/CAP Interconnection Facility (SCIF). Ms. McJunkin reported that they have worked out a scope of work for the geotechnical investigation that needs to take place in order to evaluate site conditions. We are making progress on the advanced funding agreement with the Bureau of Reclamation. The MOU and cost share agreement have been fully executed by all parties. Ms. McJunkin reported that they are also currently working on a grant application for Bucket 2 funding from the Bureau of Reclamation to fund the SCIF. She reported that SRP will meet with the Bureau on how the SCIF can be part of future system conservation. It adds value to future flexibility of an interconnected system geared toward ensuring that CAP and SRP's joint customers will be able to receive water at the most advantageous locations.

Mr. Hassert asked what the additional flood control space would be. Ms. McJunkin said it is five additional feet. SRP can store in the flood control space for only 20 days, but the amendment would provide 120 days in the first five feet. Ms. Meyers added that the concept is that rather than release the water in March, that extra water in the flood control space could assist with deliveries through July.

Mr. Fleck asked when the spill condition ended last year? Ms. McJunkin reported that the spill condition ended in May.

Ms. Myers encouraged the Management Board members to feel free to contact her at any time.

4. [Activities of the Governor's Water Policy Council](#)

Mr. Paul Bergelin, AMWUA's Water Policy Advisor, shared a presentation to provide an overview on the Governor's Water Policy Council briefing. The council has two focus areas and two corresponding

committees: Assured Water Supply - review and make recommendations for changes to AWS policies to address challenges revealed by modeling projections, and Rural Groundwater - develop and recommendations for a rural management framework outside of current AMAs.

He noted the committees schedule for meeting. The Governor has asked these committees to have proposals developed by December 2023, which may include legislation, administrative changes, and executive concerns.

Since Mr. Tenney serves on the Assured Water Supply Committee, Mr. Bergelin reviewed some initial concepts discussed so far by the committee. These included: Commingling Supplies; Building Infrastructure; Incentivize developments on agricultural lands; Alternative designation that grandfatheres in unreplenished groundwater uses, address wildcat subdivisions, build-to-rent properties, and industrial user gaps in the AWS program.

Mr. Tenney added that since the deadline the Governor wants to receive recommendations by the end of December, we anticipate that as proposals are developed, we will be busy in analyzing them. These recommendations from the Council could become a focus for the next legislative session.

5. Colorado River Conditions and Messaging

Mr. Tenney reported that the positive hydrology generated from this winter's precipitation in the Rockies has raised the elevation of both Lake Powell and Lake Mead. Lake Powell is now 41% full and Lake Mead is 32% full, which is a big improvement from where we were last year with both reservoirs under 30%. This favorable hydrology has provided a reprieve for the reservoirs from dropping to critical operational levels, and Reclamation and the Basin States have begun discussions for the post-2026 operational guidelines.

Mr. Tenney reported that Reclamation has requested comments for its Notice of Intent to start that process. AMWUA staff worked with the WRAG to draft comments that we intend to submit. Our comments will focus on requesting that the Post-2026 guidelines should provide increased flexibility in the operation of the River system including managing the system as a whole. These comments are due Monday, August 15th.

Mr. Tenney reported that last week, a new study was published that re-emphasized that the hydrology from this winter is just a reprieve and that the Colorado River remains on a trajectory to produce less water. The report states it would take another four to five similar wet winters in succession to refill Powell and Mead.

MAs soon as next week, Reclamation could release its August 24-month study that will determine what shortage tier we will be in for 2024, which should be a Tier 1 Shortage since Lake Mead's elevation has risen above 1,050 feet. In order to continue to have a coordinated and consistent message on the Colorado River, we have prepared a FAQ for your PIOs and communication staff.

Ms. Sheri Trapp, AMWUA's Communications Director, presented the key points in the FAQ to ensure we convey the municipal perspective on water issues. Ms. Trapp stated that these key points were reviewed with the WRAG last week. The FAQ explains what is happening on the Colorado River, why we will be in a Tier 1 Colorado River shortage again, what the Tier 1 shortage means for the AMWUA cities, and what's anticipated next for the Colorado River.

Ms. Trapp shared that these talking points can be customized for your communities, and we will distribute them to the POI's and your staff. AMWUA will also continue to monitor the media attention and adapt messaging as needed.

Mr. Biesemeyer asked if anyone intends to change their drought preparedness plan since were going back to a Tier 1? The Management Board members indicated there will be no change.

6. Funding of ADWR's Water Management Assistance Program

Mr. Tenney stated that in June, AMWUA staff presented the new Smartscape Agreement with the Cooperative Extension to the AMWUA Board. Smartscape has been a valuable conservation effort for many years, which AMWUA and ADWR has helped to fund. When working on the new agreement for Smartscape, ADWR staff expressed concern that their funding through the Water Management Assistance Program (WMAAP) will most likely not have enough monies to continue to support Smartscape as soon as in two years. While AMWUA has always supported the WMAAP and the conservation projects it finances, AMWUA staff believes it is important to elevate our advocacy for this program.

Mr. Harry Cooper, AMWUA's Conservation Coordinator, provided an overview about the Water Management Assistance Program and the potential funding challenges. The Water Management Assistance Program is funded by the Groundwater Withdrawal Fee.

Water Management Assistance Program was established in 1990 to provide financial and technical resources, implement conservation programs and augmentation projects, increase use of renewable water supplies, and gather information on water availability and hydrologic conditions. Mr. Cooper highlighted several projects currently funded by the Phoenix AMA WMAAP and over the last three decades).

Mr. Cooper shared a spreadsheet outlining the WMAAP Fund Balance Projections at the current rate and stated that funding is in jeopardy of being unable to sustain funding for Legacy and/or new projects. This could occur as soon as 2025. He also presented a comparison table with a WMAAP funding outlining that an increase of \$.10 to the Groundwater Withdrawal Fee would ensure funding for the WMAAP.

GUAC will meet in September to set the new Groundwater Withdrawal Fee for the next year. AMWUA wants to advocate for the GUAC to recommend a funding increase to the Water Management Assistance Program to ensure existing conservations programs will continue and that additional efforts can be considered. With less Colorado River water in our future and increased pressure on groundwater, the Phoenix AMA needs to utilize the Groundwater Withdrawal Fee to promote and multiply conservation efforts.

In response to a question raised by Mr. Fleck from Peoria, Mr. Tenney stated that we are advocating for an increase to existing conservation efforts, or new conservation projects that municipalities and agriculture may want to pursue.

Mr. Hassert mentioned that the other AMAs have higher rates so raising ours is not extreme.

Upon a motion made by Mr. Fleck and a second by Mr. Biesemeyer, the AMWUA Management Board unanimously approved to recommend to the AMWUA Board of Directors to support AMWUA advocating for the ADWR Director to increase the groundwater withdrawal fee to ensure water conservation is adequately funded.

7. Fiscal Year 2023 Quarterly Financial Statements – Fourth Quarter

Mr. Tenney reported on the financial statements of revenues and expenses for Fiscal Year 2023. AMWUA ended the fiscal year with year-to-date actual expenses being \$78,078 under budget. This variance is primarily due to having three positions vacant for different periods of time during the year.

Mr. Tenney noted that \$78,000 was carried over and applied to the current Fiscal Year 2024 assessments. Along with applying the \$10,000 from the office lease stabilization fund, the Fiscal Year 2024 assessments were lowered by \$88,000.

Upon a motion made by Ms. Ford and a second by Mr. Beaty, the AMWUA Management Board unanimously approved a recommendation to the AMWUA Board of Directors to accept the Fiscal Year 2023 Quarterly Financial Statements – Fourth Quarter as presented.

C. Member Reports

Mr. Hassert reported that the City of Mesa has initiated a 10.5 mile pipeline connecting the recycled water produced at Mesa’s northwest reclamation plant into a system that is hydrologically tied to its southeast and Greenfield reclamation plants. These two plants are already delivering recycled water to the Gila River Indian Community. This 10-mile pipeline will tie all 3 plants together as part of one system and allow for the delivery of recycled water to the Gila River Indian Community in exchange for some of their CAP water. The construction should be completed in about 2 ½ years.

Mr. Fleck reported that Cape Powers is leaving the City of Peoria. Deputy Director, David Burks, will take his place for the interim.

D. Executive Director’s Report

Mr. Tenney reported that the legislative session ended last week. It was a productive session for AMWUA in being engaged with legislators on several bills. It is worth noting that none of the bills that AMWUA opposed became law this year. The coordinated efforts of the AMWUA Intergovs and AMWUA’s lobbyist was appreciated.

Mr. Tenney reported that federal legislation is being considered to clarify unequivocally that water utilities and their ratepayers are free from bearing the financial costs for remediation of PFAS impacted sites and that instead those who are directly responsible for manufacturing and selling products containing PFAS must bear the costs for any cleanup related to PFAS contamination. Senator Kelly is on the committee that will hear this bill in September, so AMWUA intends to send a letter to him to encourage support for this legislation.

Mr. Tenney noted that the WIFA Conservation Grant Committee did recommend approval to fund six municipal turf removal projects along with projects for advanced metering installations and agriculture system upgrades.

Mr. Tenney explained the Salt and Verde River system had a very favorable winter. The reservoirs on the Verde are at 79% full and the those on the Salt are at 93% full. However, the monsoon rainfall has only at 23% normal.

E. Future Agenda Items

No future agenda items were requested.

F. Adjournment

Mr. Hassert adjourned the meeting at 11:05 a.m.

MANAGEMENT BOARD

INFORMATION SUMMARY

September 13, 2023

Activities of the Governor's Water Policy Council

ANNUAL PLAN REFERENCE

Sustainable Water Management

Promote efforts and policies that will sustain and safeguard our members' water resources and prepare for critical water management issues.

- Governor's Water Council – Actively protect and promote our members' perspectives.

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, Pursue Post-2025 Water Policy

SUMMARY

Governor Hobbs has established her Water Policy Council to update the tools available for managing groundwater by proposing changes to the Assured Water Supply Program and improving management of rural groundwater. The Governor is asking the Water Council to review and make recommendations by the end of 2023 that would improve challenges facing both issues. Subsequently, the Council has been divided into two committees to develop proposals for the Assured Water Supply Program and rural groundwater.

The Committee includes stakeholders intent on finding a way to continue the past pattern of developing on groundwater on the periphery of the valley to those who want to close gaps in the Assured Water Supply Program by applying the program's requirements to build-to-rent properties and industrial and commercial users. ADWR and Committee members have put forward concepts that could be developed into proposals. At this point, the discussions surrounding these concepts are still at a preliminary stage.

AMWUA staff have focused primarily on the activities of the Assured Water Supply Committee since the Assured Water Supply Program directly impacts the AMWUA municipalities.

AMWUA staff will give an overview of the activities of the Governor's Water Policy Council including discussions of the Assured Water Supply Committee.

RECOMMENDATION

The AMWUA Management Board is encouraged to ask questions and discuss the activities regarding the Governor's Water Policy Council.