



## **COUNCIL SUBCOMMITTEE ON WATER ISSUES MEETING**

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### **REGULAR SUBCOMMITTEE MEETING MINUTES**

**TUESDAY, AUGUST 2, 2022, 9:30 a.m.**

201 S Cortez Street

Prescott, AZ 86303

Council Chambers

**Cathey Rusing, Mayor Pro Tem - Chairperson**

**Brandon Montoya, Councilman – Member     Steve Sischka, Councilman – Member**

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MINUTES OF THE REGULAR SUBCOMMITTEE MEETING OF THE PRESCOTT COUNCIL SUBCOMMITTEE ON WATER ISSUES HELD ON AUGUST 2, 2022, IN THE 201 S CORTEZ STREET PRESCOTT, AZ 86303 COUNCIL CHAMBERS.

#### **1. CALL TO ORDER**

Chairperson Rusing called the meeting to order at 9:30 a.m.

#### **2. ROLL CALL**

|                 |             |
|-----------------|-------------|
| Cathey Rusing   | Chairperson |
| Brandon Montoya | Member      |
| Steve Sischka   | Member      |

#### **3. PUBLIC COMMENT**

*Public comment will be accepted following each agenda item and are limited to three (3) minutes. Please complete a comment card and return it to the City Clerk, speakers will be called in the order received.*

#### **4. WATER SERVICE APPLICATIONS**

- A.** Water Service Application No. WSA22-017, Submitted by Michael Taylor Architects, Inc., on Behalf of Property Owner Healing Hands, LLC. Location: APN 102-06-207U, a 2.01 Acre Parcel in the SW¼ of Section 36, Township 15N, R02W, GSRB&M.

Deputy Public Works Director Gwen Rowitsch provided a presentation to the Subcommittee regarding WSA22-017 for Healing Hands, LLC, a 3,842 square foot medical facility located south of State Route 89 in the Centerpointe West subdivision. The facility will have five patient rooms and

five employees. The site plan was submitted for review and consideration to the Planning and Zoning Commission on July 14<sup>th</sup>, where it was unanimously approved for recommendation. The potable water demand is estimated at .13 acre feet (AF) per year. The landscaping area is estimated at .87 acres, bringing the estimated landscape demand to 1.31 AF per year and the total demand to 1.44 AF per year. This project does not exceed 50% of water remaining in the water budget and is considered a non-residential project.

Applicant Dr. John Furman addressed the Subcommittee stating that he will be the owner and practitioner of the Healing Hands Clinic. His goal with the clinic is to create a sanctuary where people can relax and achieve overall well-being. The landscape design is one part of his plan to achieve his goal.

Chairperson Rusing asked if the clinic will offer overnight or residential services and asked about the amount of exam rooms.

Dr. Furman responded that this is a day clinic only and that he will start out with himself and one staff member. He will expand by adding one to two practitioners and supporting staff.

Member Sischka commented that he appreciates the holistic approach Dr. Furman is taking with his practice.

Member Montoya asked if the project is conforming to the plant palette for landscaping.

Ms. Rowitsch responded yes; low water use plants are required under the Land Development Code.

**MOTION BY MEMBER SISCHKA TO FORWARD ITEM 4.A. TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED [3 – 0].**

- B.** Water Service Application No. WSA22-018, Submitted on Behalf of Property Owner Loma Buena, LLC, by Applicant Kimley Horn & Associates, Inc. Location: APN 109-03-100, a 1.04 Acre Parcel in the NE¼ of Section 4, Township 13N, Range 02W, GSRB&M.

Public Works Director Ashley Couch provided a presentation to the Subcommittee regarding WSA22-018. The site plan for this project was submitted for review and consideration to the Planning and Zoning Commission on July 14<sup>th</sup> where was approved for recommendation with a 3-2 vote with the condition that flood plain issues be resolved prior to the August 23<sup>rd</sup> City Council Voting meeting. The project includes ten Airstream trailers, lawn areas, a water feature, trees and shrubs, and other ground cover. The trailers will be elevated by one foot above the Base Flood Elevation on drill shafts to the regulatory flood elevation, bringing the project into compliance with Arizona Revised Statutes and the City of Prescott's Floodplain Management Ordinance.

Member Montoya asked for confirmation that the floodplain issue is resolved with the elevation of the trailers.

Mr. Couch responded that the next review cycle will show adequate elevation to the regulatory flood elevation, adding that staff will not approve the improvement plans until the issue is resolved.

Member Sischka asked if the two no votes were due to the flood plain issue.

Mr. Couch responded that one no vote was due primarily to the floodplain issue and the other no vote was related to the floodplain issue and concern over the proximity of the project to Mile High Middle School.

Mr. Couch continued with the presentation stating that the estimated potable water demand for the ten trailers is 0.81 AF per year, the park-like landscaping is estimated at 1.78 AF per year and the water feature has a demand of 0.01 AF per year, bringing the total estimated water demand to 2.6 AF per year. This project is in conformance with the city's water policy; it is less than the allocated 25 AF per year for non-residential and less than the 50% rule.

Member Montoya asked if there will be a manager on site and asked about the on-site restaurant discussed at the Planning and Zoning Meeting.

Property owners Spencer and Austin Andrews addressed the Subcommittee stating that there will not be a permanent resident on site; the property will operate like short-term vacation rentals and added that they both live in town and will be available to address any needs. There is no longer a plan to have a restaurant on site.

Chairperson Rusing commented that this project will help revitalize the area and appreciates the creativity. She asked if there are plans to connect to the Granite Creek Corridor.

Mr. Andrews responded that he is hopeful for a connection to the Granite Creek Corridor.

Engineer Andrew Baird of Kimley Horn & Associates addressed the Subcommittee stating that as part of the no-rise analysis, a direct connection into the creek could not be established from the west side, however, there is an option to connect via Carleton Street.

Member Rusing asked about the use of artificial turf rather than grass.

Mr. Andrews responded that it was considered however they are trying to stay away from the faux experience, adding that water is still a factor with artificial turf as it requires cleaning and sanitizing.

Member of the public Leslie Hoy addressed the Subcommittee commenting that the landscaping exceeds what has been allotted per the new water policy and asked how the landscaping demand was calculated and if the demand will decrease over time.

Mr. Baird responded that their landscape architect submitted a detailed demand schedule, based on the plants they will use, to establish an estimated demand. Typically, there is increased water use during the landscape establishment period which may decrease over time.

Member Montoya asked for confirmation that the landscape architect submitted a landscaping estimate that exceeds the amount specified in the tables that are used by staff to determine the amount allotted for these types of projects.

Mr. Couch confirmed that an estimate has been provided which exceeds the amount specified in the tables.

Member Montoya stated that while he does not want to see every commercial project come in over the allotted amount, he appreciates the candor of the applicant.

Member Sischka asked if an estimate for an acre of landscaping is considered the maximum allowed.

Mr. Couch responded that staff refers to the tables and then uses judgement to determine what the right number is to present to the Subcommittee and Council.

Ms. Rowitsch added that when most applicants are at this stage of their project, they do not have a landscaping plan. For those applicants staff uses the 1.5 AF per year, per one acre of anticipated landscape, using the low water plant list. This applicant is farther along than most and was able to submit a demand calculation based on planting types they have chosen. Therefore, they know what their water use will be, and it is much more accurate than applying the 1.5 to 1 acre estimate. Once this applicant begins using water, the information is fed into the Water Resource Management Model (WRMM) and tracked. After five years, their actual average water use can be determined. Staff is not saying that they cannot use more than 1.78 AF, rather they are stating that they believe their water use will be 1.78 AF.

Member Montoya asked what would happen if in the future the applicant used more than 1.78 AF.

Ms. Rowitsch replied that water bills drive conservation and have had the largest impact on this community since 2006. This is proven by the fact that the city uses almost the same amount of water used 20 years ago.

Mr. Baird commented that they were partially through the permitting process once the water policy had been adopted and pointed out that the lawn in the northwest corner is a detention basin and won't need to be irrigated often.

Member of the public Peter Kroopnick addressed the Subcommittee asking what can be done if the applicant uses more than the estimated amount of allocated water.

Ms. Rowitsch noted that the city is not allocating water it is estimating water usage, adding that the

city no longer enters into contracts which gave authority to impose higher rates and even penalties.

**MOTION BY MEMBER SISCHKA TO FORWARD ITEM 4.B. TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED [3 – 0].**

- C. Water Service Application No. WSA22-009, Submitted by Exceptional Healthcare Prescott, on Behalf of Property Owner EHC Prescott, LP. Location: APNs 103-15-160A on 9.2 Acres, and 103-15-165 on 0.27 Acres, in the SE¼ of Section 29, Township 14N, Range 01W, GSRB&M.

Ms. Rowitsch provided a presentation to the Subcommittee regarding WSA 22-009. The site plan for this project was submitted for review and consideration to the Planning and Zoning Commission on July 14<sup>th</sup> where it was unanimously approved for recommendation and is scheduled to go to Council on August 23rd. This request is for the initial site only and is a ten-bed facility with 22 employees. The total estimated water demand is 4.16 AF and does not exceed 50% of the remaining water budget.

Chairperson Rusing asked if there will be landscaping on the terracing and how many cubic feet of water the storage tank holds.

Ms. Rowitsch responded that if they disturb, they must revegetate, and referred the latter question to the applicant.

Member Montoya asked for a breakdown of the inpatient component.

Ms. Rowitsch stated that table 4.1 of the General Engineering Standards lists uses and water demands associated with those uses.

Chairperson Rusing asked about the landscape of the hillside.

Applicant Don Nicolini addressed the Subcommittee stating that their landscape architect is in the process of finalizing the design and is in the second review with the city's arborist. He thanked the city for granting an at-risk grading permit for the difficult to develop site.

**MOTION BY MEMBER MONTOYA TO FORWARD ITEM 4.C. TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER SISCHKA: PASSED [3 – 0].**

- D. Water Service Application No. WSA22-013, Submitted by Applicant Paul Aslanian on Behalf of Property Owner Craftsman Court Holdings, LLC. Location: APN 306-24-012, a 10-Acre Parcel in the SW¼ of the NW¼ of Section 23, Township 16N, R02W, GSRB&M.

Ms. Rowitsch provided a presentation to the Subcommittee regarding WSA22-013, a 45-lot



residential subdivision in Chino Valley. Per the Chino Valley Irrigation District (CVID) agreement with the city, this 10-acre parcel received water credits in the amount of .25 AF per acre of land and are entitled to ten connections or ten dwelling units. The applicant purchased 702.12 extinguishment credits to meet the remaining water demand for this project. The remaining balance will be pledged to the city, and therefore this request is not subject to the water budget. The total estimated water demand is 6.96 AF.

Member Montoya asked why this approach was utilized and asked how many people sold their extinguishment credits.

Ms. Rowitsch responded that according to Chino Valley Town Manager and Mayor, lots less than an acre must be tied to a municipal sewer system. This is a benefit to the aquifer and much better than 45 septic tanks. Three individuals sold their extinguishment credits.

Chairperson Rusing asked if the Water Policy Review and Monitoring Commission could review the exemption from the water budget for future projects like this.

Ms. Rowitsch replied that the benefits, pros, and cons can be discussed, however, because the city is not giving water from the city portfolio in these types of projects, the budget is likely not applicable.

Applicant Paul Aslanian addressed the Subcommittee stating that this project is low-water use. There is only 5,000 square feet of turf and they will use approximately 1 AF of water for landscaping and the homes are single family detached that range from 1200 to 1500 square feet.

Chairperson Rusing asked if each home will be separately metered.

Mr. Aslanian responded that each home will be separately metered.

**MOTION BY MEMBER SISCHKA TO FORWARD ITEM 4.D. TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED [3 – 0].**

## **5. DISCUSSION & ACTION ITEMS**

### **A. Approval of the July 5, 2022, Subcommittee on Water Issues Meeting Minutes**

**MOTION BY MEMBER SISCHKA TO APPROVE THE JULY 5, 2022 MEETING MINUTES; SECONDED BY MEMBER MONTOYA: PASSED [3 – 0].**

### **B. 2022 Water Management Policy Discussion – Residential & Non-Residential Water Budget Overview for January 1, 2022 through June 30, 2022**

Public Works Senior Engineering Tech Katie Hein provided a presentation to the Subcommittee on the residential and non-residential water budget overview for January 1<sup>st</sup> to June 30<sup>th</sup>. Water policy 11-13 established a semi-annual water budget of 25 AF per year for residential and 25 AF per year non-residential projects. Thirteen residential projects were approved totaling 13.66 AF per year and an additional 22 non-residential projects were approved totaling 16.56 AF per year. Projects that have been approved and the total amount remaining in the water budget cycle are posted on the city website. Additionally, there were 58 projects approved under existing contracts that were primarily in areas of existing groundwater subdivisions.

Member Montoya asked if this is retroactive and where the current budget stands.

Ms. Hein replied that they were accounted for in the budget cycle and currently two non-residential projects have been approved administratively and one residential project was approved by Council.

Member Montoya asked for staff's perception on the adequacy of the water budget allocation.

Ms. Rowitsch replied that there is some concern that the budget may fall short for this budget period, however there are provisions in the policy to address that. If someone exceeds 50% of the remaining water budget they may appeal to the Subcommittee, or they may take the option of holding their application until the next budget cycle.

Member Montoya commented that it would be useful to have this item on a Water Policy Review and Monitoring Commission agenda and encouraged Public Works to work with the Commission.

Ms. Rowitsch asked the Subcommittee if they would like to have this update provided monthly adding that a similar spreadsheet is posted on the city website and updated on the 1<sup>st</sup> and 3<sup>rd</sup> Wednesday of each month.

Chairperson Rusing and Member Montoya agreed that it would be useful.

*This item was for discussion only, no formal action was taken.*

## **6. GENERAL ANNOUNCEMENTS FROM STAFF**

Water Resource Project Manager Leslie Graser provided the general announcements to the Subcommittee regarding memberships to Northern Municipal Water Users Association (NAMWUA) and the Upper Verde Watershed Protection Coalition (Coalition).

- NAMWUA – Board meeting on 07/15/2022
  - Election of Board Members – no changes

- Entered into a contract with High Country Conference Center in Flagstaff for upcoming Water Utility Leadership Forum (WULF)
- Senate Bill 1740 – Long term augmentation fund: \$1 Billion over three years, Water Supply Development Revolving Fund: \$200 million, Water Conservation Grant Fund: \$200 million, existing Federal programs under the Safe Drinking Water Act remain healthy.
- Dues paid by City of Prescott were \$5,009.55
- Coalition – Board Meeting on 07/27/2022
  - Presentation on Senate Bill 1740 given by Leslie Graser
  - Nature Conservatory Stormwater Management Funding Grant will be held in Prescott Valley on August 23rd
  - Town of Prescott Valley vs CDW Consulting – complaint filed and waiting for outcome
  - Yavapai County Technical Advisory Committee – member has not been identified
  - Grant Projects
    - Arizona Department of Water Resources (ADWR) Rainwater Harvest/Recharge Grant – all sites are complete and operating
    - United States Department of Agriculture (USDA) / Natural Resources Conservation Services Grant Agreement (NRCA)– should be ready to go to bid by the first of the year
    - Arizona Water Protection Fund – is available to apply, Coalition will be seeking this fund.

Member Montoya asked if there was any indication from Yavapai County that they are going to fill the position on the Technical Advisory Committee.

Ms. Graser responded that the last meeting was cancelled but they are working with the director and keeping active contact on rescheduling a meeting.

Member Sischa asked for an update on the Comprehensive Agreement No. 1.

Ms. Graser replied that it has been extended to the end of August to allow for discussion.

*This item was for discussion only, no formal action was taken.*

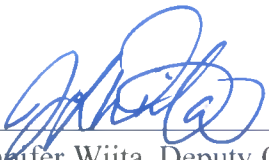
## 7. ADJOURNMENT

There being no further business to discuss, Chairperson Rusing adjourned the meeting at 10:57 a.m.

 9-6-22  
Cathey Rusing, Chairperson

ATTEST:



  
Jennifer Wiita, Deputy City Clerk

## CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Subcommittee Meeting of the Council Subcommittee on Water Issues of the City of Prescott, Arizona held on August 2, 2022. I further certify the meeting was duly called and held and that a quorum was present.

Dated this 7<sup>th</sup> day of September, 2022.

AFFIX  
CITY  
SEAL



  
Jennifer Wiita, Deputy City Clerk