



COUNCIL SUBCOMMITTEE FOR WATER ISSUES MEETING

SUBCOMMITTEE MEETING AGENDA

TUESDAY, MARCH 5, 2019, 9:00 AM

Lower Level Conference Room, 201 South Cortez Street
Prescott AZ 86303
(928) 777-1272

Jim Lamerson, Chairman

Steve Blair, Councilman

Steve Sischka, Councilman

The following Agenda will be considered by the Prescott **Council Subcommittee for Water Issues** at its **Subcommittee Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of the meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02. One or more members of the Council Subcommittee may be attending the meeting through the use of a technological device.

A. Call to Order

B. Roll Call

SUBCOMMITTEE MEMBERS

Chairman Jim Lamerson

Member Steve Blair

Member Steve Sischka

C. Approval of Minutes of Jan. 8, 2019

D. 2019 Water Allocation Update

E. Water Service Agreement Application WSA 19-004

F. Update on active water contracts and their performance criteria

G. Update of ITC (Legal Department)

H. Factsheet on Comprehensive Agreement No. 1

- I. Future Agenda Items
- J. Adjournment

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the Council Subcommittee for Water Issues, the Council Subcommittee may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));
- (5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));
- (7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 72 hours advanced notice, special assistance can be provided for sight and/or hearing-impaired persons at this meeting. Reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 777-1272 to request an accommodation to participate in this public meeting. Prescott TDD number is (928) 445-6811. Additionally, free public relay service is available from Arizona Relay Service at 1-800-367-8939 and more information at www.azrelay.org

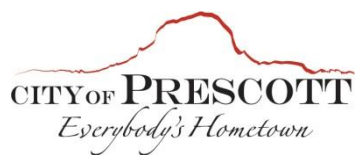
Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless Council Subcommittee for Water Issues takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____ at _____ m. in accordance with the statement filed by the Prescott Council Subcommittee for Water Issues with the City Clerk

Maureen Scott, MMC, City Clerk

**COMMITTEE AGENDA MEMO**

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Approval of Minutes of January 8, 2019
--

Item Summary

Subcommittee meeting minutes from January 8, 2019, for review and approval.

Attachments

1. Subcommittee meeting minutes of January 8, 2019

Recommended Action: MOVE to approve Subcommittee Minutes of January 8, 2019.
--

MINUTES OF THE CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES HELD ON JANUARY 8, 2019, IN THE LOWER LEVEL CONFERENCE ROOM, LOCATED AT 201 S. CORTEZ STREET, PRESCOTT, ARIZONA.

A. Call to Order

Chairman Lamerson called the meeting to order at 9:04 a.m.

B. Roll Call

CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES MEMBERS:

Present:

Chairman Jim Lamerson

Member Steve Blair

Member Steve Sischka (arrived 9:06)

Staff Present:

Michael Lamar, City Manager

Clyde Halstead, Senior Assistant City Attorney

Craig Dotseth, Public Works Director

Gwen Rowitsch, Administrative Support Services Manager

Leslie Graser, Water Resource Manager

Leah Hubbard, Water Resource Coordinator

Teresa Ogle, Administrative Assistant

C. Approval of Minutes for the December 4, 2018 Meeting

COUNCILMAN BLAIR MOVED TO APPROVE THE MEETING MINUTES OF NOVEMBER 6, 2018. CHAIRMAN LAMERSON 2ND. PASSED (2.0). (COUNCILMAN SISCHKA ARRIVED AFTER VOTE)

D. 2019 Water Allocation Update

For January 1, 2019 until July 1, 2019, alternative water supplies were made available in accordance with City Resolution No. 2018-1663. The available supply is 350 acre-feet and stated to be for, "...any development of any type during this period."

New Water Service Agreement applications existing or filed before December 25, 2018 (submission deadline for 1/8/2019 Subcommittee meeting).

Application No.	Requested Volume (in acre-feet)	Water Budget Remaining (in acre-feet)
-----------------	------------------------------------	---

WSA 17-028, Catholic Charities ¹	6.35	343.65
WSA 18-022, Lafferty	23.25	320.40

¹On March 13, 2018, City Council approved a letter of endorsement (City Resolution No. 2018-1635) for water resources to serve the proposed Twin Cedars project. The water supply had been set aside in the City's water portfolio for possible allocation from and use in Calendar Year 2019. In accordance with the Council Agenda Memo of March 13, 2018, "Pending the award of the HUD grant, the Twin Cedars [water service agreement] application will be placed on a City Council agenda for approval of a standard water service agreement (specifying the volume, performance criteria, etc.)"

E. Water Service Agreement Applications

Bailey (WSA18-021)

Water Service Agreement Application No. WSA18-021 was filed by Steve Perry, the builder for the Bailey's, on November 27, 2018. The applicant is seeking one water service connection in accordance with an historic agreement recorded as Book 350 Page 109.

In accordance with the adopted Water Management Policy, water has been allocated at 0.25 acre-feet per year, and per policy was approved administratively.

THE SUBCOMMITTEE MADE NO RECOMMENDATION, AS THIS WAS AN INFORMATION ITEM.

Lafferty (WSA18-022)

Water Service Agreement Application No. WSA18-022 was filed by Michael Lafferty on November 30, 2018. The applicant is seeking an alternative water allocation for one hundred and fifty-five (155) apartment units.

This application is in accordance with the current Water Management Policy. The applicant has submitted Site Plan (PLN18-037) and Water Service Agreement (WSA18-022) applications. The project requires a total of 23.25 acre-feet.

MEMBER BLAIR MADE A MOTION THAT THE WATER SERVICE AGREEMENT PROCEED TO COUNCIL FOR CONSIDERATION OF APPROVAL. MEMBER SISCHKA 2ND. PASSED (3-0).

Councilman Lamerson also requested an update on all open contracts, and status with regard to meeting performance criteria. Leslie Graser will provide that information at the next meeting.

F. Matrix New World Contract Update (City Contract No. 2019-079)

On August 28, 2018, City Council approved City Contract No. 2019-079 for specialized technical support on Comprehensive Agreement No. 1. An update will be provided on work products and their purpose.

On September 19, 2012, Council approved Comprehensive Agreement No. 1 (CA#1) with Salt River Project (SRP) and the Town of Prescott Valley, providing for implementation of an enhanced groundwater and surface water monitoring system, generating data for a refined (“nested”) groundwater model to be developed for the Big Chino Sub-basin and its connection to the Upper Verde River. The total budget for the CA#1, with a cost share among the three parties, is \$5.6 million dollars. The conclusion of the groundwater flow model development is scheduled for May 2020.

Chairman Lamerson voiced concerns about the closed loop storage project and the City’s ability to protect our water supply. Chairman Lamerson asked for an update on the ITC project. Clyde Halstead agreed to provide an Executive Update.

Leslie Graser reviewed the purpose of the Matrix New World Contract, which was to support the Comprehensive Agreement No.1 contract. The CA#1 has approximately 2 years of work remaining. Quarterly reports will commence, to support the current annual reports. Scientific contracts will be reviewed and extended as necessary to meet the City’s objectives. Leslie also reviewed the webpage for the Management and Completion of CA#1, and the Quarterly Report Template for CA#1. Members requested that cost savings be added to the report template, along with existing contracts and budget status.

Member Sischka asked what information would be available at the end of the 8-year study. All Members felt that a summary was needed that could be shared with the public. Succinct talking points will be provided to the Members as requested.

Member Blair asked what our current recharge percentage was. Craig Dotseth agreed to provide this information. Member Blair also asked if all sub-lease opportunities were being considered at the BCWR. Clyde Halstead stated that there are legal obligations that must be met, and leasing is at the maximum possible at this time.

THE SUBCOMMITTEE MADE NO RECOMMENDATION AS THIS WAS AN INFORMATION ITEM.

G. Adjournment

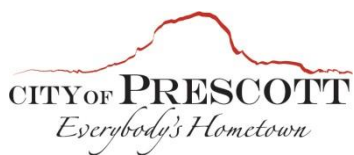
There being no further business to discuss, the meeting was adjourned at 9:50 a.m.

Respectfully Submitted by:

Teresa Ogle, Administrative Coordinator

Councilman Jim Lamerson, Chairman

Date: _____



COMMITTEE AGENDA MEMO

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Water Service Agreement Application No. WSA19-004 by Dorn Homes for 181 single-family units located in the Deep Well Ranch Master Plan (APN 102-01-306D)

Summary

Water Service Agreement Application No. WSA19-004 was filed by Dorn Homes and available in the City's tracking system on February 12, 2019. The applicant is seeking an alternative water allocation from the City's January 1, 2019 to June 30, 2019 water budget for one hundred and eighty-one (181) single family units; a volume of 36.2 acre-feet (0.20 AF * 181 homes).

Background

Deep Well Ranch Contract No. 2010-086 (Procedural Pre-Annexation Agreement) outlined the volumes of water that would be made available and reserved in three increments. That volume, increments 1 and 2, total 950 acre-feet. Currently, the use from that volume of water is shown below:

Deep Well Reservation Increments 1 and 2 (AF)				950
Year	Agreement	City Contract	WSA	Allocation (AF)
2009	CFChino Investments	2009-091		58.00
2013	YRMC North	2014-038	13-007	29.00
2016	Deep Well Ranches No.1	2017-151	16-007	64.40*
Total contract volume (AF)				151.40
Remaining reservation (AF)				798.60

*The Saddlewood project has exceeded this platting by 41 SFR units. As of 2/12/2019, the water allocation for the increased units remains unresolved. The project representative, Scott Lyon in a meeting on 2/4/2019 stated his client is seeking water from the City's General Pool for the 41 units (0.20*41 =8.2 AF).

PLN 19-006 (PAC response letter) and Master Plan Administrator Review (emailed from Mr. Worley on 2/5/19), indicate the applicant is seeking to use General Pool water for the 181 single-family unit project. In comparison, in Contract No. 2017-151

AGENDA ITEM: Water Service Agreement Application No. WSA19-004 by Dorn Homes for 181 single-family units located in the Deep Well Ranch Master Plan (APN 102-01-306D)

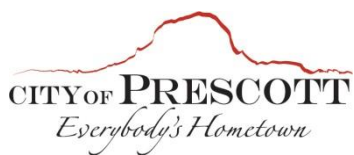
(Saddlewood), Deep Well Ranches applied 64.4 AF from their reservation, and the City Council approved the use of 24.85 AF of the supplies from its Calendar Year 2016 water budget, for a project water total of 89.25 AF.

It has been determined that 36.2 acre-feet is available for this project from the January 1, 2019 to June 30, 2019 water budget. Subsequent Deep Well Ranch Master Plan projects will be allocated supplies based on the policy in place at that time.

Attachments

1. Preliminary Plat Application No. PLN19-006
2. Water Service Agreement Application No. WSA19-004

Recommended Action: MOVE the application to Council for consideration with 36.2 AF of potable supplies from the January 1, 2019 to June 30, 2019 water budget.

**COMMITTEE AGENDA MEMO**

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Factsheet on Comprehensive Agreement No.1

Summary

During the January 8, 2019, meeting the Subcommittee requested talking points for the three-party contract for scientific investigations in the Big Chino Sub-basin known as Comprehensive Agreement No. 1.

Background

Due to litigation and other events in the 2009-2010 timeframe regarding the City's Decision and Order of Assured Water Supplies (water portfolio), the City entered into two notable, three-party agreements known as Agreement in Principle (2/11/2010), and Comprehensive Agreement No. 1 (10/5/2012). Comprehensive Agreement No. 1 is an agreement that addresses monitoring and modeling in the Big Chino Sub-Basin, with the addition of mutual recognition of certain water rights arising from the Prescott Active Management Area. The completion date for the groundwater flow model identified in Comprehensive Agreement No 1 is anticipated to be May 2020.

Attachments

1. Talking points for the Big Chino Water Ranch and Comprehensive Agreement No.1 (2/20/2019)

Recommended Action: For information purposes.

Project #: _____ **PRELIMINARY PLAT - HEARING APPLICATION**

Subdivision Plat Name: Deep Well Ranch Parcels 1.46 / 1.47

Current Assessor's Parcel Number(s): A portion of 102-01-306D & 102-05-324U

Zoning: SPC (RZ-17-003, MP 17-005)

Owner Name & Address:

James Deep Well Ranches W 7, LLC
PO Box 10245
Prescott, AZ 86304

Phone: _____

Fax: _____

Email: _____

Applicant Name & Address

(If different than property owner, Agent letter must accompany submittal):

Dorn Homes, InC. ATTN: Chris Harrison
600 W Gurley St
Prescott, AZ 8630

Phone: 928-442-1111

Fax: _____

Email: charrison@dornhomes.com

For Staff Use Only

Date Received: _____

Taken In By: _____

Assigned To: _____

Date Application Complete: _____

Fees & Charges: _____

Receipt #/Date: _____

P&Z Study: _____

P&Z Vote: _____

Council Study: _____

Council Vote: _____

Request For Preliminary Plat Approval:

Description of request: See Narrative

Location of Property: Deep Well Ranch

Total Acres: +/- 50 Total

Lots: _____

Min. Lot Size: _____ Max. Lot Size: _____ Average Lot Size: Typical 58' x 120'

Existing Zoning: SPC Proposed Zoning: SPC

Is mass grading proposed: Yes

Is project in a Reimbursement District: _____ If yes, what type: _____

If a Planned Area Development:

Total % Area of Open Space: _____ Total Open Space Area (acres): _____

Total Number of Dwelling Units: _____

Name RUSTY WEATHERSBY

Signature 

Date 1/31/19

Attachment: Preliminary Plat Application No. PLN19-006 (2388 : Item E: WSA19-004)



WATER SERVICE AGREEMENT APPLICATION

Water Resource Management Division
201 S. Cortez St., Prescott, AZ 86303
(P) 928.777.1645 (F) 928.777.1255

Please complete the form and submit a legible legal description on a separate sheet of paper as well as a site plan of the subject property with proposed improvements. Submit all documents and the filing fee directly to the Community Development Department at 201 S. Cortez St, Prescott, AZ 86302.

APPLICANT INFORMATION

Applicant:	<u>Dorn Homes Inc</u>	Contact Person:	<u>Rusty Weathersby</u>
Address:	<u>600 W Gurley St #100</u>	City/State/Zip:	<u>Prescott AZ 86305</u>
Phone:	<u>928-445-9427</u>	Email:	<u>rweathersby@dornhomes.com</u>

Property Owner:	<u>Building Prescott LLC</u>	Contact Person:	<u>Rusty Weathersby</u>
Address:	<u>600 W Gurley St #100</u>	City/State/Zip:	<u>Prescott AZ 86305</u>
Phone:	<u>928-445-9427</u>	Email:	<u>rweathersby@dornhomes.com</u>

PROJECT SITE

Address: North Willow Creek, West of Antelope Crossing

Current Zoning: MF-H & MU Proposed Zoning: N/A

Assessor's Parcel Number(s) of Existing Property:
102 - 01 - 306D _____ _____ _____

Existing Water Service (Y/N): Yes Existing Sewer Service (Y/N): Yes

Existing Well (Y/N): N If Yes, Well Registry No.: _____

PROJECT DESCRIPTION

Is the project Residential or Commercial? Residential

Please provide brief description: New residential community for approximately 181 single family home sites.

of Proposed Units: 181 # of Proposed Lots: 181

Has a Water Demand Analysis been completed (commercial)? Yes per PAC meeting

Has a building permit application been submitted? No

Has a Planning and Zoning Recommendation been made? No

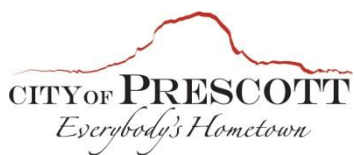
Applicant Signature: Rusty Weathersby

Date: 1/29/2019

OFFICE USE ONLY

DATE:	PERMIT #: WSA18-_____	FEE PAID:	ACCELA:	Legal Attached:
SITE PLAN:	BUILDING PERMIT:	PRELIMINARY PLAT:		

Attachment: Water Service Agreement Application No. WSA19-004 (2388 : Item E: WSA19-004)



COMMITTEE AGENDA MEMO

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Update on active water contracts and their performance criteria.

Summary

During the January 8, 2019, meeting the Subcommittee requested an update on the ITC project (Closed Loop Pumped Storage Facility).

Background

The proposed Big Chino Valley Pumped Storage Project will use energy storage technology to anchor new electricity transmission infrastructure as an all-encompassing, integrated energy solution to the region's growing energy needs. The proposed project involves significant investment to develop a large-scale, 2,000 MW closed loop pumped storage hydro facility, one powerhouse and two reservoirs covering 420 surface acres. The project also includes three transmission interconnections to serve Arizona, Nevada and Southern California.

The water requirements of the facility are estimated as, 1) A one-time volume of 27,000 acre-feet is needed to fill the reservoirs. This includes water used during construction, and 2) Given the current state of design, operations will result in 925 acre-feet of evaporated loss per year – less than the current 1,500 acre-feet used annually for agriculture on the existing ranch property. The project team is actively working to minimize the amount of evaporation loss through a variety of means.

Project Status: On January 3, 2019, Big Chino Pumped Storage LLC released a Joint Stakeholders Meeting Comment Matrix.
[https://www.bigchinovalleypumpedstorage.com/docs/default-source/bcv/bcv-october-stakeholder-meetings-comments-matrix-\(january-2019\)-1.pdf](https://www.bigchinovalleypumpedstorage.com/docs/default-source/bcv/bcv-october-stakeholder-meetings-comments-matrix-(january-2019)-1.pdf)

Attachments

1. 1/3/2019 Joint Stakeholder Meeting Comment Matrix

Recommended Action: For information purposes.

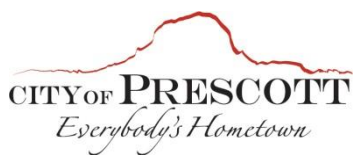
Excerpt from City's water portfolio contracts file (2/20/2019)

CONTRACT NAME	CONTRACT DATE	CONTRACT NUM	EXPIRATION DATE	ALLOCATION
Parlay (Willow Creek Apts.)	2/19/2014	2014-114	1/28/2020	40
Touchmark at the Ranch	6/10/2014	2014-192	Met	83
Payne	12/8/2014	2015-079	12/8/2019	2.1
Stone Creek Investments	9/9/2014	2015-040	n/a	1.4
Martin, Leila	8/18/2016	2016-015	8/18/2019	0.25
Himes, Tony	8/18/2016	2016-016	8/18/2019	0.35
Brown, Fred and Christine	8/18/2016	2016-017	8/18/2019	0.5
Hung Pham	9/30/2015	2016-014	Met	0.35
Groff Living Trust	1/12/2017	2015-166	1/12/2020	0.35
Watson, Oliver	10/20/2015	2015-167	Met	0.35
Harris	3/20/2015	2015-136	n/a	0.35
Creech	3/31/2015	2015-138		0.35
Spence, David and Patricia	10/7/2016	2016-013	10/7/2019	0.25
Gould	4/6/2015	2015-139		0.35
SJ Holms LLC	1/21/2016	2016-009	Met	1
ERAU		2016-292		55
Bruce Ryan	11/17/2015	2016-021	Met	0.35
Jason Orefice	10/11/2016	2016-166	10/11/2019	1
Moody	5/11/2016	2016-023	Met	0.35
Schnitzius Family Trut	2/14/2017	2016-093	2/14/2020	0.35
LKD Housing Ventures	1/11/2016	2016-092	Met	0.35
James 110 Investments LLC (Walden Ranch)	6/26/2016	2016-301	6/26/19 Recorded FP	75.95
Hassayampa Holdings of Prescott LLC	11/15/2017	2017-362	BP 11/15/18 Occ. 11/15/20	12.24
Diversified Development, LLC		will serve letter		63.25
Randy Thomas (Eureka)	1/27/2016	2016-090	Met	1.5
Robert Beyea	8/2/2017	2018-016	None	0.3
Kevin Randle	1/24/2017	2017-206	1/24/2020	5
Fornara Revocable Trust	2/25/2016	2016-179	Met	0.35
Bliss Living Trust	2/24/2016	2016-180	Met	0.35
Campbell Family Revocable Trust	2/25/2016	2016-181	Met	0.35
Chokidar Revocable Trust	2/24/2016	2016-183	Met	0.35
FL Brown Enterprises	7/12/2016	2017-007		2.75
Lee Borst			8/15/18 BP, 8/15/20 Occ.	
Moeller Properties	5/24/2016	2016-304	5/24/2019	0.15
Deep Well Ranches #1	10/31/2016	2017-151	10/31/21 Occ.	89.5
Prescott Lake Villas	12/5/2016	2017-009	12/5/20 Occ.	12.25
Bullwhacker Ranch Inc				100
Level Vision LLC	10/10/2016	2017-010	10/10/19 Occ.	1.25
Robinson Duplexes LLC	8/27/2018	2017-012	8/27/19 BP, 8/27/21	3
Robert Burford	8/11/2016	2017-013	8/11/2019	0.35
Eric Pogue	9/27/2016	2017-066		1
Asha Stout	3/10/2017	2017-065	3/10/2020	0.25
Mary S. Houston	10/27/2016	2017-110	10/27/2019	0.15
Michael Hendrickson	11/1/2016	2017-164	11/1/2019	0.35
Steve Reid	12/17/2016	2017-203	12/17/2019	0.35
Creekview Apts (Bethel Dev.)	12/20/2016	2017-205	CofO 12/20/20	5.5

Attachment: Excerpt from the City's water portfolio contract file (2/20/2019) (2389 : Item F: Update on water contracts)

US VETS (Capuleto)	10/19/2017	2018-056	10/19/19 BP, 10/19/21 Occ	12.35
Jeremy Hassen	8/9/2017	2017-354	8/9/2020	0.25
Kirk Hooper	6/14/2017	2017-308	6/14/2020	0.25
Satu Dewi Ltd aka Steve Perry	5/27/2017	2017-313	5/27/20 Occ.	0.15
Jacob Vinton	6/23/2017	2017-350	6/23/2020	0.3
John Enequist	7/26/2017	2017-368	Built	0
Daniel and Whitney Olague	8/2/2017	2018-023		0.25
Michael Ottmann	8/8/2017	2018-024	8/8/2020	0.25
Vibrant Building Solutions Inc	8/9/2017	2018-031		0.15
Timothy Sibson	9/28/2017	2018-065	9/28/2020	0.25
W.D Properties 10-unit	10/31/2017	2018-077	None	0
Kandice Zaballa	11/28/2017	2018-071	11/28/2020	0.25
Mario & Jaime Suffriti	10/10/2017	2018-072	10/10/2020	0.25
Granite Dells Estates	9/26/2017	2008-165A2	none	44.08
Dennis & Christina Goldsmith	10/17/2017	2018-090	10/17/2020	0.25
Dennis & Karen Nauman	10/19/2017	2018-091	10/19/2020	0.25
Milton Ausherman	12/19/2017	2018-125	12/19/2020	0.25
Vibrant Building Solutions (Lincoln Ave)	2/6/2018	2018-031	none	0.3
Virgil Doerfler 14-Unit	3/10/2018	2018-131	None	1.4
Catholic Charities				see 2019
Cortez Circle Apts	3/25/2018	2018-132	none	3.6
Lance Wagner	7/10/2018	2018-165	7/10/2021	0.25
Willow Lake RV Storage				0
Las Palomas Apartments	5/14/2018	2018-205	2/14/2021	3.9
Duane and Kerrie Wright	4/30/2018	2018-207	4/30/2021	0.25
Lee Circle (Bullwhacker)	5/10/2018	2018-216	None	
David Stella	4/20/2018	2018-210	4/20/2021	0.25
Privado/Jesse Homoki (VOID)		Void		
Blyth	6/5/2018	2018-235	6/5/2021	0.12
Josh & Joy Harper	9/11/2018	2019-074	CVID	
Whispering Rock	9/11/2018	2019-094/2019-101	3/11/2025	60
Paul & Julie Pflueger	1/16/2019	2019-090	1/16/2022	0.25
Liberator Annexation	12/18/2018	2019-102	12/18/2021	
Robert Hultquist	9/21/2018	2019-107		
North Blue, LLC	9/21/2018	2019-108	CVID	
Blooming Hills Apartments	12/3/2018	2019-109	12/3/2019	2.1
Gareth Rhys-Evans		2019-110		0.25
Pat McCarty	11/20/2018	2019-116	11/20/2021	0.25
McCormick Place Partners, LLC				
Cholewa Family Trust	11/26/2018	2019-141	11/26/2021	0.25
Charles & Francis Bailey	12/18/2018	2019-151	12/18/2021	0.25

Attachment: Excerpt from the City's water portfolio contract file (2/20/2019) (2389 : Item F: Update on water contracts)

**COMMITTEE AGENDA MEMO**

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Update on active water contracts and their performance criteria.

Summary

During the January 8, 2019, meeting the Subcommittee requested an update on the active water contracts and their performance criteria.

Background

Since 1999, the City has entered into water contracts. More recent contracts have performance criteria for the purpose of allowing for the use of the water for a project, but not leaving the water held in a contract if the project does not proceed.

As of February 20, 2019, the City has 653 contracts, ranging from commitments for single-family residences only, to 100+unit subdivisions or apartment complexes.

Attachments

1. Excerpt from the City's water portfolio contract file (2/20/2019)

Recommended Action: For information purposes.

Big Chino Valley Pumped Storage Project
October 2018 Stakeholder Meetings: Comment Response Matrix¹

	Comment	Response
1.	We continually hear about drought and future development. Isn't a 9 billion gallon withdrawal of water equivalent to a catastrophic drought event?	No, the withdrawal of the water for the Project would not be equivalent to a catastrophic drought event. To assess the scope of the impacts of the Project, ITC is undertaking an evaluation of the potential impacts to the Big Chino Aquifer and the Verde River by modifying, updating and improving the U.S. Geological Survey's Northern Arizona Regional Groundwater Flow Model with input from key stakeholders including representatives from state and federal agencies, local municipalities, tribal representatives and local and national environmental groups. Through hydrological modeling and evaluations underway, ITC's goal is to produce a conservative estimate of the project's effects on the aquifer system. Where assumptions are made in the model, we will overestimate the project's effects and underestimate the effects of mitigation. By using conservative estimates, ITC can avoid adverse impacts to water resources. ITC is working with a stakeholder groundwater working group and other stakeholders to identify potential short-term and long-term strategies to offset potential impacts based on sound science – all with the goal of maintaining long-term stewardship of the water and land resources. If studies identify adverse impacts to the Big Chino Aquifer and/or Verde River, we are committed to undertaking mitigation efforts to address impacts on the Big Chino Aquifer, Verde River and residential wells.
2.	If you were a retired landowner in Paulden, depending on the aquifer for domestic water, would you advise to sell now?	ITC is consulting with a stakeholder groundwater working group and other stakeholders to identify potential short-term and long-term strategies to offset potential impacts based on sound science – all with the goal of maintaining long-term stewardship of the water and land resources. ITC's objective is to mitigate identified impacts from the Project so that landowners and domestic well owners are not adversely affected.
3.	How many closed loop storage facilities are there in the United States, where are they located and how long have they been in operation?	There is a one closed loop project operating in the U.S. today. It is the Lake Hodges Hydroelectric located in San Diego County, California. This project began operation in 2012.

¹ To increase the utility of this chart for stakeholders, ITC has consolidated comments to the extent they raise overlapping issues.

4.	You are putting millions of gallons of water where it hasn't been before. Where will the water go if the dams break?	Water from a dam break of either the upper or lower reservoir would flow through existing washes and overland toward the Big Chino Wash and toward the headwaters of the Verde River some 35 miles downstream. Dam safety will be a specific area of regulatory oversight and of design consideration that includes dam break analyses. These analyses will determine areas of potential inundation as flows resulting from a dam break attenuate over distance and space and flow toward built up areas.
5.	As possible mitigation measures, is anyone looking at selective cutting of water-hungry trees (Juniper especially) in surrounding woodland/Prescott National Forest to increase recharge?	At this time, ITC has not ruled out any specific mitigation options. Potential mitigation measures will be studied as part of the groundwater modeling study to assess the feasibility and utility of those measures. As part of the groundwater modeling study, ITC will work with stakeholders to assess possible mitigation options and develop a mitigation plan.
6.	Can you use storm water to recharge the aquifer?	There is consensus among ITC and Stakeholders that flood flow characteristics of the Verde River should not be altered. Retention of runoff that would otherwise reach the Verde River would influence the river's flood flow characteristics and is not desirable. However, some flows that do not reach the Verde might be available for artificial recharge. The goal for such an operation would be to reduce evaporation losses of the surface flow and infiltrating that water which would otherwise evaporate.
7.	What are the recharge rates?	Recharge rates to the local aquifer average about 30,000 acre-feet per year.
8.	With the four to five years of construction needed for the project, how will you address the dust and noise that will fill the area?	Noise and dust are typical concerns relating to construction projects and can be mitigated through construction environmental management plans. ITC will consider these issues as part of its licensing application and it is expected that FERC will include this in its NEPA analysis. Dust can be controlled through the application of water to well-travelled roads, or through road surface hardening. Noise is a consideration relative to the receiving body, distance and competing sources of noise. As warranted, noise impacts may be addressed by limiting certain construction activities to specific time periods.
9.	What period of time would the reservoirs be filled? What are the factors that will drive how many years you will take to fill the reservoirs?	Pre-feasibility studies assessed several potential filling durations up to 5-years. Ultimately, the factors that weigh into that decision will include construction schedules and project lead times (i.e., when the lower reservoir would be ready to start receiving water) on one side; and considerations around attenuation of pumping on the other. A slower pumping program would attenuate potential impacts on the Verde River but would also imply greater losses due to evaporation during the construction period.

10.	Why can't ITC use other sources (i.e., wind sails, natural gas) to generate power?	Wind, solar, and natural gas generation facilities do not have the same attributes as a pumped storage project because they only <i>generate</i> electricity. A pumped storage project such as the Big Chino Valley Pumped Storage Project (Project) operates like a giant battery. Specifically, the Project will have the ability to take excess electricity, use it to pump water uphill, and release that water to generate "stored" electricity when it is needed (e.g., at night when solar facilities do not generate electricity). Given the unique operational characteristics of a pumped storage project, in particular its ability to absorb excess electricity, renewable or gas-fired facilities cannot provide the same type of benefits to the electric grid that a storage facility can.
11.	Why not build in Nevada as that state has more rainfall?	ITC analyzed numerous areas within the southwest to assess where an energy storage project could have the best effect in terms of providing services to the electric grid. The site selected was a prime location after considering a number of factors, including access to the interstate transmission grid, opportunities to purchase property, and land elevations.
12.	Does the Arizona Corporation Commission have jurisdiction over the project?	Pursuant to federal law, the Federal Energy Regulatory Commission has jurisdiction over the licensing, construction, and operation of the Project. The federal licensing process provides a number of opportunities for state agencies to provide input to FERC regarding the development and operation of the Project.
13.	How will you address cumulative impacts (e.g., City of Prescott development?)	ITC will submit a cumulative impacts analysis as part of its license application to FERC and FERC's NEPA document will contain a discussion of BCV's cumulative impacts. A cumulative effect is the impact on the environment that results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (federal or non-federal) or person undertakes such other actions.
14.	How can stakeholders communicate with FERC?	The FERC Project Manager for the Big Chino Valley Project is Kim Nguyen. She can be reached at Kim.Nguyen@ferc.gov.
15.	What is the FERC Project number?	P-14859
16.	Can you use Key Observation Points (KOP) from the NW part of the Prescott National Forest? Provide input for KOPs for 2019 study.	KOPs for the Visual Resources Study in the transmission line corridors will be developed in consultation with stakeholders during study implementation. KOP selection takes into account a number of factors including viewable distance and public use. Portions of the Prescott National Forest will be considered in this analysis.
17.	Would ITC's proposed mitigation address the impacts from both the initial withdrawal and evaporation?	Yes.

18.	When you take inventory of mitigation measures off the table because ITC used them to address Project impacts, are they available for future use (i.e., to mitigate for other future development)?	The project initial fill is a one-time event and by and large would only require temporary mitigation efforts to offset it. Those proposed mitigation measures could theoretically therefore be available to address other impacts.
19.	Where does the Yavapai transmission line cross SR 89? Is this near the Verde River headwaters?	Currently, there are two proposed crossings under consideration. The preferred route crossing of SR 89 will be near the border between the Prescott National Forest and the Kaibab National Forest near Forest Service Road NF 930. The proposed crossing of SR 89 on the alternative route is at the intersection of SR 89 and E Road 5N. Only one crossing will be utilized once the final route is determined.
20.	How did you provide notice for the October stakeholder meetings? How can you improve notice and outreach regarding Project activities?	As part of its ongoing effort to maximize stakeholder engagement, ITC took several steps to notify potential stakeholders of the recent licensing meetings. These steps included: (1) announcements shared on the Boulder City Review's website under "News Briefs"; (2) notification and invitation through direct mail via first class delivery to 1,199 landowners within 1,500 feet of the Arizona and Nevada transmission corridors; (3) direct mail to Nevada-based Indian Tribes; (4) print advertisements in the Boulder City Review, the Arizona Daily Sun, the Las Vegas Review Journal, and the Daily Courier; (5) direct mail to Arizona and Nevada elected officials; (6) emailed invitations to a broad group of stakeholders; (7) notification and invitation in the Seligman Bulletin Board, a quarterly community newspaper; and (8) notification and invitation on the "News" section of the Seligman Chamber of Commerce's website. In addition, ITC regularly updates the Project website. ITC would welcome suggestions for additional ways in which ITC could provide notice to stakeholders.
21.	How many wells will ITC use to fill the reservoir? Will the model help determine how many wells you will use?	The number of wells that will be used to fill the reservoir is currently being studied and hasn't been determined yet. The project is taking this uncertainty into account in its current groundwater modelling exercise.

22.	What are the climate change projections that you are using for your models? Also consider impact on climate change on species in the Upper Verde.	Model assumptions about future recharge rates are being considered by the Stakeholder working group. As to climate change impacts on species in the Verde River, ITC is awaiting the results of the groundwater modelling study to determine if impacts to the Verde River from the Project can be mitigated. Until the groundwater modelling study is completed, the current geographic scope of the licensing studies is generally limited to the area near the reservoirs and the three primary transmission lines.
23.	What will prevent our wells from going dry? Would you consider entering into a financial Partnership to make homeowners whole in case wells go dry (i.e., pay to drill new or deeper wells)? Who do I talk to when my well goes dry?	The groundwater modelling study is designed to identify Project impacts to groundwater (including wells) and assess potential mitigation measures. ITC's objective is to mitigate Project impacts so there is no impact to stakeholder wells. At this time, the groundwater modelling study is underway but has not yet been completed. ITC is awaiting the results of the study before any homeowner-specific measures may be considered.
24.	What are the other options that are being considered re use of water from locations other than the aquifer?	Water importation is a possible outcome that is being considered. ITC is exploring potential regional water projects in which the Project could participate. At this time, there are no conclusions to report.
25.	How will this Project benefit local stakeholders?	The project, once operational, is expected to be a major taxpayer in Yavapai Country and the State of Arizona and will generate significant tax revenues for the state and local governments. The Project will not require tax-payer support. Additionally, the Project will create new jobs, particularly during the construction period, and will have benefits to the local economy associated with an increase in demand for goods and services. ITC also supports numerous community initiatives in the communities in which it does business.
26.	How many other pump storage projects have you attempted?	This is ITC's first energy storage project although the company has a long track record of developing, owning, and operating utility infrastructure.
27.	Did you state the aquifer would be recharged over a year or two years? How does annual recharge rate relate to your mitigation plans?	Rates of natural recharge to the aquifer do not influence mitigation measures and are not a factor in Project mitigation plans. The goal of mitigation would be to completely offset any negative influence of Project groundwater use. The effects of both the Project withdrawals and mitigation measures are superimposed on variations in recharge and non-Project withdrawals from the groundwater system, which occur independent of Project use and mitigation.

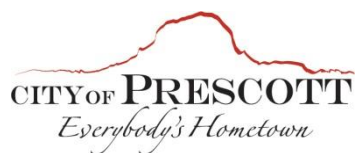
28.	Can you limit the amount of grazing to provide better habitat for pronghorn?	ITC plans to develop a Wildlife Management Plan addressing lands that are owned and managed by ITC following Project construction. Fencing, grazing, and pronghorn habitat will be considered during Plan development.
29.	Water is not a renewable resource in AZ; we are in a 20-year drought and Verde River flow has declined. Why are you developing the Project here and how will you mitigate the impacts?	ITC analyzed numerous areas within the southwest to assess where an energy storage project could have the best effect in terms of providing services to the electric grid. The site selected was a prime location after considering a number of factors, including access to the interstate transmission grid, opportunities to purchase property, and land elevations. ITC is working with a stakeholder groundwater working group and other stakeholders to identify potential short-term and long-term strategies to offset potential impacts based on sound science – all with the goal of maintaining long-term stewardship of the water and land resources. If studies identify adverse impacts to the Big Chino Aquifer and/or Verde River, we are committed to undertaking mitigation efforts to address impacts on the Big Chino Aquifer, Verde River and residential wells.
30.	Who are ITC's potential partners in the Project?	ITC is meeting with potential local partners, including all of the utilities within the State of Arizona. However, those discussions are still in their preliminary stages.
31.	Will there be light pollution from the reservoirs, substations, and transmission lines? What is the ITC Dark Skies initiative referenced during the meeting?	ITC uses industry leading lighting technology in its current footprint. The current lighting design utilizes highly efficient warm color LED technology with down focused shades. This lighting practice meets International Dark Sky Standards. ITC's lighting practice is to minimize general area lighting during non-work periods. ITC does require task/spot lighting during operation where an employee is present. This is done for the safety of our employees. All task lighting is turned on with an automatic timer to ensure that the specific lighting is only used during physical operation of the components and will shut off after the work is performed.
32.	What does the weather station track?	The weather station is recording windspeed and direction; relative humidity; ambient air pressure; ambient air temperature and solar radiation.
33.	How did you acquire the Project property?	ITC entered into an option agreement with the landowner who was looking to sell the property. ITC performed due diligence on the feasibility of the parcel to be used as a site for a pumped storage facility.
34.	Have you looked at alternative sites such as Yucca Valley or in Nevada?	ITC analyzed numerous areas within the southwest to assess where an energy storage project could have the best effect in terms of providing services to the electric grid. The site selected was a prime location after considering a number of factors, including access to the interstate transmission grid, opportunities to purchase property, and land elevations.

35.	What is your planned outreach to local fire departments to address potential water impacts?	ITC plans to meet with local first responders as part of the licensing process.
36.	Will there be Electric and Magnetic Field (EMF) impacts associated with the Project?	Human beings encounter electric and magnetic fields (EMFs) as part of everyday life. Any device that uses or carries electricity creates EMFs, including everyday appliances, lighting and household wiring. EMFs are created anytime electricity is flowing in a wire or device. Electric fields are measured in volts per meter and magnetic field are measured in milligauss. The strength of these fields quickly decreases the further away from the source. Below are a few websites from third-party independent sources that address EMFs: • Electric Power Research Institute: http://emf.epri.com • National Cancer Institute: http://www.cancer.gov (type EMF in search bar) • World Health Organization: http://www.who.int/peh-emf/en • National Research Council: http://www.nap.edu and search for “Possible Health Effect of Exposure to Residential Electric and Magnetic field” (a free PDF of this book is available).
37.	Has ITC considered potential tectonic movements and associated impacts on the Project?	As part of the FERC licensing process, ITC will be required to prepare a supporting design report that must include, among other things stability and stress analyses for all major structures and critical abutment slopes under all probable loading conditions, including seismic and hydrostatic forces induced by water loads up to the Probable Maximum Flood. The supporting design report also must provide the bases for ITC’s determination of seismic loading and the spillway design flood in sufficient detail to permit an independent review by FERC staff.
38.	How much notice of the initial fill of the reservoirs will ITC provide to stakeholders?	At least six months’ notice will be provided to stakeholders before the initial fill begins.
39.	What are the anticipated evaporation losses?	Evaporation rates from the reservoirs are currently estimated as about 925 acre-feet per year. Data from a weather station installed at the reservoir site will help refine the estimate. Evaporation limiting technologies are also being considered to reduce that amount to as minimal as feasible.
40.	What options for mitigation are being considered?	Mitigation options being considered include offsetting withdrawals with temporary cessation of existing water withdrawals from the aquifer; permanent cessation of existing agricultural withdrawal on the Project property; putting in place conservation easements on the Project property to preclude future sub-division and residential development; targeted recharge opportunities that can reduce evaporative loss of storm water but do not impact flood flow hydrology on the Verde River; and the potential to import some or all of the initial fill of the reservoirs. Additionally, the Project is exploring technologies to minimize evaporative losses from the reservoirs.

41.	How much time are you going to allow experts to review the groundwater model study results?	We are working with the Stakeholder groundwater working group and reviewing the proposed schedule to ensure that Stakeholders have sufficient time to review and comment on the groundwater model results.
42.	When the groundwater modelling is complete, will ITC share the results with stakeholders?	Yes, the results of the groundwater study will be posted to FERC and ITC will hold public meetings to discuss the results of the study.
43.	Where will energy generated from the Project be sold?	ITC is currently engaging in outreach to Arizona utilities regarding the benefits of the Project, and all of the electricity stored and released by the Project could potentially be contracted to Arizona utilities. Currently, Arizona's demand (load) is approximately 20,000 MW, and the Project could provide 2,000 MW of storage. ITC believes that 10% is an appropriate amount of storage versus overall demand and will help incorporate public policy requirements for renewable generation resources. Given the amount of change and future uncertainties in the broader electric system, this Project will provide an additional tool to help manage the unknowns. ITC will not discriminate against interested parties of the Project; however, any non-Arizona participation will benefit Arizonans through a variety of benefits including – but not limited to – tax contribution, jobs, and contribution toward Project costs.
44.	Will ITC contact local drilling companies to gather additional information?	The project has accessed drilling records available through ADWR as a source of local information to augment current and updated understanding of the aquifer's properties. Additional outreach may be considered.
45.	Will the reservoirs be sealed?	The reservoirs will be lined to limit losses due to seepage. The project is currently investigating the use of "shade balls" or other physical barriers to reduce evaporative losses. "Sealing" of the large surface area of the reservoirs would be impractical.
46.	What additional cost to our utility rates?	The goal of this project is to minimize future utility investments in new generation by making existing and future generation investment as efficient as possible. Long-term this project should reduce rates to customers. Any short-term impact to rates will be dependent upon which utilities invest in this project and to what extent that investment will be.
47.	Why don't you know time-period for filling the reservoir?	The initial fill is expected to take between 2 and 5 years. This will be developed in concert with future detailed engineering and establishment of the construction schedule while taking into account attenuation and mitigative benefits of an extended fill.
48.	How many wells are needed?	The design and spacing of the proposed well field will be the subject of ongoing engineering studies.

49.	What are the options for water sources?	Primarily, the percolating groundwater from below the CV/CF Ranch. The potential for importation of some or all of the initial fill is currently being investigated.
50.	How many years will it take to refill the aquifer to account for the initial withdrawal?	The groundwater model will determine the length of time over which the aquifer responds to both Project groundwater use and mitigation measures. Groundwater withdrawn from aquifer storage by the Project will be addressed by mitigation measures such as reducing other groundwater use that has been occurring historically.
51.	How do you know what the recharge rate is? What is the recharge rate?	The recharge rate to the local aquifer is constrained by observations of discharge to streams including the Verde River and estimates of water use by riparian vegetation and for other uses including agriculture, stock, domestic, industrial, and municipal. Based on previous investigations, the recharge rate to the local aquifer, which contributes to flow in the Verde River, is about 28,000 acre-feet per year on average. This region is a portion of the larger Big Chino Sub-basin, which has a recharge rate of about 41,000 acre feet per year.
52.	What if your assumptions in the groundwater model are wrong?	The groundwater modelling study will produce a conservative estimate of Project impacts, meaning net impacts of Project groundwater use will not be underestimated and the impact of mitigation measures will not be overestimated. ITC is using conservative assumptions to mitigate the risk of error in the study results.
53.	Does water temperature affect operation of the facility?	No. Not within expected reservoir water temperature range.
54.	Has ITC looked at international rainfall data?	ITC is using observations and estimates of local precipitation.
55.	Is ITC depending on mother nature for recharge/mitigation?	No.
56.	Why didn't ITC conduct the groundwater modelling study first?	Given the timeframe associated with the FERC licensing process, it is important to proceed with all the licensing studies in parallel to be in a position to file a license application in a timely manner.
57.	ITC's evaporation rate is two times annual rainfall? How will ITC address?	Reservoir evaporation will be replaced by groundwater withdrawals that currently support agriculture on Project property. The agricultural use would be retired.
58.	Is it feasible for ITC to bring water in from another aquifer?	Water importation for either the full or partial initial fill is being considered among other mitigation strategies. There are currently no conclusions to report.

59.	Will ITC work with the Arizona legislature to prevent future development and use of water from the aquifer?	No, currently ITC does not anticipate lobbying the Arizona legislature to prohibit future development in the region. ITC's focus is the development of the Big Chino Valley Project and the mitigation of any associated Project impacts.
60.	Are you building the Project to simply arbitrage power prices?	No. The purpose of the Project is to provide a facility that can store excess electricity to be used when the grid needs that electricity as well as to provide other ancillary services required for the reliable and ongoing operation of the transmission system.
61.	How much water is stored in the aquifer?	According to the Arizona Department of Water Resources (ADWR) there are about 10 million acre-feet or 3,258,510,000,000 gallons (one acre-foot is the equivalent of 325,851 gallons) of accessible water stored in the aquifer to a depth of 1,200 feet. The initial fill is estimated to be 0.2 to 0.3% of the estimated stored volume.
62.	Is ITC considering effluent reinjection to the aquifer?	Artificial recharge of effluent is a potential mitigation measure.
63.	Will there be water quality issues associated with the operation of the Project?	The project's engineers carried out a preliminary mass balance on the closed loop reservoir water, taking into account preliminary estimates of evaporation losses and samples of Big Chino Valley aquifer groundwater. It was concluded that water quality would not present an issue to the project's operations.



COMMITTEE AGENDA MEMO

MEETING DATE/TYPE: **SUBCOMMITTEE MEETING** **3-5-19**

DEPARTMENT: **Public Works**

AGENDA ITEM: Alternative Water Budget for January 1, 2019 through July 1, 2019 Update.

Item Summary

For January 1, 2019 until July 1, 2019, alternative water supplies were made available in accordance with City Resolution No. 2018-1663. The available supply is 350 acre-feet and stated to be for, "...any development of any type during this period."

Requests for Water Service

New Water Service Agreement applications filed before February 19, 2019 (submission deadline for 3/5/2019 Subcommittee meeting) are shown in the table. Projects in grey were recommended at the last Subcommittee meeting.

Application No.	Requested Volume (in acre-feet)	Water Budget Remaining (in acre-feet)
WSA 17-028, Catholic Charities ¹	6.35	343.65
WSA 18-022, Lafferty	23.25	320.40
WSA18=017, Rhys-Evans	0.25	Deducted from CVID Reservation
WSA 19-001, Smeltzer	0.25	Deducted from Vacant Res.
WSA 19-002, Hill	0.25	Deducted from Vacant Res.
WSA 19-003, Frausto	0.25	320.15
WSA 19-004, Section 1.46 and 1.47	36.2	283.95
WSA 19-005, Lannholm	0.25	283.70

¹On March 13, 2018, City Council approved a letter of endorsement (City Resolution No. 2018-1635) for water resources to serve the proposed Twin Cedars project. The water supply had been set aside in the City's water portfolio for possible allocation from and use in Calendar Year 2019. In accordance with the Council Agenda Memo of March 13, 2018, "Pending the award of the HUD grant, the Twin Cedars [water service agreement] application will be placed on a City Council agenda for approval of a standard water service agreement (specifying the volume, performance criteria, etc.)"

AGENDA ITEM: Alternative Water Budget for January 1, 2019 through July 1, 2019 Update.

Recommended Action: For information purposes.

Talking points for the Big Chino Water Ranch and Comprehensive Agreement No.1 (2/20/2019)

Big Chino Water Ranch

- The Big Chino Water Ranch is comprised of 4,582.1 acres (7.2 sq. mi.) of deeded lands and 1,948.6 acres (3.0 sq. mi.) of Arizona State Land within Yavapai County. The ranch is within the Big Chino Sub-basin of the Verde River Watershed; the sub-basin is defined by the State of Arizona to comprise 1,850 square miles of private, state and federal ownership.\
- The City of Prescott is a 54.1% partner and the Town of Prescott Valley a 45.9% partner in water from the BCWR
- Section 45-555, Arizona Revised Statutes, allows for the transportation of groundwater by Prescott AMA (PrAMA) municipalities from the Big Chino Sub-basin for use inside the PrAMA.
- The City's transport up to 8,068 AF/year. Additional volumes associated with historically irrigated lands has been set aside by Council Resolution No. 3688.

Comprehensive Agreement No. 1 (CA#1)

What is CA#1?

An agreement executed on October 5, 2012 to address monitoring and modeling in the Big Chino Sub-Basin, with the addition of mutual recognition of certain water rights arising from the Prescott Active Management Area.

Who are the parties to CA#1?

City of Prescott, Town of Prescott Valley and Salt River Valley Water Users' Association, and Salt River Project Agricultural Improvement and Power District (SRP)

What will be available at the end of the 8-year monitoring and modeling contracts?

Monitoring

- New and longer-term data sets on water levels in the basin
- New understandings of complex geology (geophysics) in the Big Chino Sub-basin with a focus on the area near the Upper Verde River Springs
- New data sets from weather stations
- New data sets from ephemeral stream flow monitoring
- New data sets on hydrologic properties of the geologic units (aquifer tests and gravity)
- New data sets on geochemistry of both groundwater and surface water

Modeling

- A complete groundwater flow model incorporating the above monitoring data sets, and other existing data sets
- A predictive tool to assess the effects of pumping in the sub-basin
- A tool to determine where additional data should be collected or which existing monitoring locations should continue to be observed.
- A tool to develop a mitigation plan, if needed, to address groundwater pumping effects on the Upper Verde River Springs