COUNCIL SUBCOMMITTEE ON WATER ISSUES MEETING

REGULAR SUBCOMMITTEE MEETING AGENDA

TUESDAY, FEBRUARY 1, 2022, 9:30 AM

201 S Cortez Street
Prescott, AZ 86303
Council Chambers

Mayor Pro Tem Rusing - Chairperson
Councilman Montoya - Member   Councilman Sischka - Member

The following Agenda will be considered by the Prescott Council Subcommittee on Water Issues at Regular 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 may be attending the meeting through the use of a technological device.

Viewing & Participation

This meeting may be viewed on Channel 64, Facebook Live or on the City's Website: Live City of Prescott Video
Or via Zoom by registering in advance: Zoom Registration Link
Comments from the public may be submitted through the City website: Public Comment Form

THIS AGENDA WAS AMENDED AT 10:30 A.M. ON THURSDAY, JANUARY 27, 2022 ADDING ITEM 4.E.

1. CALL TO ORDER

2. ROLL CALL

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. DISCUSSION & ACTION ITEMS

A. Approval of the January 11, 2022 Meeting Minutes.

Recommended Action: MOVE to approve the January 11, 2022 minutes as presented.

B. Water Service Application No. WSA21-019, Submitted by Granite Dells Estates Properties, Inc., Prescott, Location: APN 103-04-009X, Comprising 98.87 acres, in Township 14 North, Range 01 West, Section 6, SE ¼ and SW ¼, in Part.

Recommended Action: MOVE to forward WSA21-019 to Council for approval or denial.

C. Focus Topic - Introduction to Northern Arizona Municipal Water Users Association (NAMWUA), Staff Update from January 21, 2022 Board Meeting.

Recommended Action: This item is for discussion only. No formal action will be taken.

D. Focus Topic - Introduction to Upper Verde River Watershed Protection Coalition (UVWPC), Staff Update From the January 26, 2022 Executive Meeting.

Recommended Action: This item is for discussion only. No formal action will be taken.

E. Discussion Regarding Water Outside City Limits and Water Service Area Boundary as it Relates to the Proposed 2022 Draft Water Policy.

Recommended Action: This item is for discussion only. No formal action will be taken.

5. GENERAL ANNOUNCEMENTS FROM STAFF

6. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council 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 City Council 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 City Council with the City Clerk

Sarah M. Siep

Sarah M. Siep, City Clerk

CITY OF PRESCOTT

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: **REGULAR SUBCOMMITTEE MEETING** **02- 1-22**

DEPARTMENT: **City Clerk**

AGENDA ITEM: **Approval of the January 11, 2022 Meeting Minutes.**

ITEM SUMMARY

Attached for approval are the Council Subcommittee on Water Issues minutes for the January 11, 2022 meeting.

BACKGROUND

None.

FINANCIAL IMPACT

None.

Recommended Action: **MOVE to approve the January 11, 2022 minutes as presented.**

ATTACHMENTS

1. January 11, 2022 Meeting Minutes.docx

CITY OF PRESCOTT

COUNCIL SUBCOMMITTEE ON WATER ISSUES MEETING

REGULAR SUBCOMMITTEE MEETING MINUTES

TUESDAY, JANUARY 11, 2022, 8:30 AM

201 S Cortez Street
Prescott, AZ 86303
Council Chambers

Cathey Rusing, Mayor Pro Tem - Chairperson
Brandon Montoya, Councilman – Member **Steve Sischka, Councilman - Member**

MINUTES OF THE REGULAR SUBCOMMITTEE MEETING OF THE PRESCOTT COUNCIL SUBCOMMITTEE ON WATER ISSUES HELD ON JANUARY 11,2022 IN THE 201 S CORTEZ STREET PRESCOTT, AZ 86303 COUNCIL CHAMBERS.

1. CALL TO ORDER

City Clerk Sarah Siep called the meeting to order at 8:37 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. DISCUSSION & ACTION ITEMS

A. Approval of the December 7, 2021 Meeting Minutes

MOTION BY MEMBER SISCHKA TO APPROVE THE DECEMBER 7, 2021 MEETING MINUTES; SECONDED BY MEMBER MONTOYA: PASSED [3 – 0].

B. Water Service Application No. WSA21-006, Submitted by Jerry Palmer Architects, LTD, on Behalf of Property Owner Prescott Hylands, LLC. Location: APN 109-12-038, Comprising 1.22 Acres, in the SW1/4 of the SE1/4 of the NE1/4 of Section 4, T13N, R02W.

Water Resource Project Manager, Kay Sydow, provided a presentation to the Subcommittee regarding the Water Service Application for an in-fill project on the site.

Applicant Jerry Palmer with Palmer Architects addressed the Subcommittee regarding the project. It is a twenty-two-unit, two-story mountain community type townhome subdivision on a 1.25-acre parcel, each with two-car garages and small private yard.

Chairperson Rusing asked about the landscaping and if the applicant received a copy of the city requirements.

Mr. Palmer confirmed that he has reviewed the requirements and they will be met.

Member Montoya asked what the current water demand is on this site and how it fits into the schematic of the draft policy that is being considered today at the Study Session.

Ms. Sydow responded the current demand is estimated at 4.68-acre feet (AF) however staff doesn't have information as to what the water demand was from the previous establishment.

Deputy Public Works Director, Gwen Rowitsch, responded that this afternoon's council meeting will review a proposed policy around water management based on the Water Resources Management Model (WRMM). It is not uncommon for parcels to move from one use into another, in this case commercial to residential. Typically, residential use is more stable over time and therefore easier to maintain.

Member Montoya questioned where this project would fit into the new policy with regard to the approval of the application. He is concerned about approval of an application amidst the review of the policy.

Ms. Rowitsch stated that this would be done in exactly the same manner as it is now, go before Planning & Zoning, which it has, and then to the Water Issues Subcommittee and then to Council for approval. This is estimated water usage which will go into the WRMM and will be reviewed annually.

Member Montoya stated that if the Subcommittee recommends forwarding to Council it will likely go to Council in late January and it seems to him this is coming in under the wire.

Ms. Rowitsch responded that the application was submitted in August of 2021; the applicant has been going through the process since that time, so they have been in the que and are not "coming in under the wire".

Public Works Director, Craig Dotseth, added that it is unknown whether this application would or would not be considered in the proposed policy budget; there is the potential that the water budget for 2022 will include previously approved water allocation. Later today is simply the rollout of the proposed policy. We all must wait and see how that transpires.

Member Montoya asked if there are other WSAs that are in the que. In-fill development is a good thing, he watched the Planning & Zoning Meeting and there was good vetting but feels we need to be careful about what is pushed down the track.

Ms. Rowitsch responded that there is one other that is already in the process that may come before the Subcommittee in February, but that could potentially change.

Member Sischka responded that the city should be mindful that time is money for these people, they didn't come down here because we have a new proposed policy. Most of the four AF being requested will get returned to recharge.

Member Montoya asked staff for an estimate on the return.

Ms. Rowitsch replied that there is a requirement of 70%, and that is what staff expects from this project.

Mr. Palmer added that they are using water-wise appliances, utilizing drought tolerant landscaping and each unit will have its own water meter.

Chairperson Rusing commented that the concern is with the review of this new policy; wants to make sure there is not a surge of new applications.

Member of the public Matthew Cordia addressed the Subcommittee regarding the proposed development stating that the estimated .34 AF for landscaping is incorrect.

Ms. Rowitsch responded that landscaping is calculated at 1.5 AF per acre and the estimated .21 acres is estimated correctly. Staff can speak with the citizen to see if anything needs to be changed.

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

C. Review and Discussion Regarding Arizona Department of Water Resources (ADWR) Website and Overdraft.

Water Resource Project Manager, Leslie Graser, provided a presentation to the Subcommittee regarding innovative tools related to water management which the city needs to begin utilizing. She provided an overview of the AMA Overdraft Dashboard on the ADWR website, which depicts annual inflows and outflows, and overdraft amounts across the active management area, explaining that this tool would allow the Subcommittee to see the total picture.

Member Montoya noted that it in 2005 there was a time when the overdraft dropped but it's been mostly hovering at the same level and commented that, since this tool allows you to toggle back and forth between other AMAs, that it would be useful to look at other areas doing better with overdraft to see what ideas can be borrowed. He also inquired as to when the modeling will become more current.

Ms. Graser confirmed and added that she contacted ADWR to find out when it will be updated and was informed that it will be updated through 2019 in approximately four to five months (she will verify) and the tool will be part of the 5th management plan for the AMA.

Member Sischka commented that the Subcommittee has to understand that the Prescott AMA has, by far, the highest number of unregulated wells. He asked staff if the Colorado River situation has anything to do with the Prescott AMA.

Ms. Graser commented that although we are in the Colorado River Basin, we do not use water from the Colorado River directly, adding that even though there is not a direct connection we should be cautious. She added that you can also look at “components” on the graphs and dashboards to review what is impacting the inflows and outflows. All of this information can help make decisions going into the future and help communicate those to the public so they understand what Council and staff are looking at.

Chairperson Rusing commented that water was a big topic for the Governor’s State of the State address.

Member of the public Howard Mechanic commented that this tool is a relic, adding that 7-10 years ago ADWR denied his request to continue to provide the overdraft information. He hopes this important information will continue to be seen as a priority. Agrees that Prescott has the highest overdraft as a percentage of water usage, but household exempt wells can’t be blamed for the problem; everyone has to work together and participate in developing a plan to reach safe yield in the AMA. Feels the Subcommittee should provide input to ADWR regarding keeping this information up to date and include 20-year projections.

Member of the public Leslie Hoy addressed the Subcommittee and said that she was told that ADWR is prohibited by state law to show the cumulative overdraft and asked for confirmation.

Ms. Graser commented that she doesn’t believe there is anything stating that they cannot, nor is there any direction stating they have to. She reassured the Subcommittee that staff would not bring them an outdated tool, adding that there are many options that the Subcommittee should be aware of and choosing one common tool is important for consistent communication. Nobody else is putting together all the cumulative reports so there needs to be something to use as a bench at the state level which is what this information is.

Member Montoya asked if staff has spoken with other cities/towns in the region about using these tools.

Ms. Rowitsch responded that about a year and a half ago Prescott began conversations with Chino Valley and have made progress. Prescott has not begun conversations with Prescott Valley but would like to do so.

Member Sischka commented that the context of the wells isn't a blaming for the problem but is difficult to have regional conversations with 13,000 well owners and that is an issue that other AMAs don't have.

Ms. Graser added that the Governor's water group has a post 2025 Committee with an Issue Paper specific to exempt wells in the Prescott AMA and how that should be addressed. We are all pumping and need to figure out what the needs are for the municipalities if the wells go dry.

Chairperson Rusing asked for confirmation on a statistic that Prescott is responsible for 75% of the water pumped out of the AMA.

Ms. Graser said that she can't confirm that, but it can be investigated.

Member Montoya commented that he feels this is an opportunity for us and others to reach out and work cooperatively to have conversations about water.

Ms. Graser concurred and added that in the ten years she has worked for Prescott, regional outreach has been the goal. She reviewed that overdraft equates to less inflows than outflows adding that state law AAC R12-15-716 does allow a 100-year depth-to-static water level =1000 ft. below land surface. Individual cities and towns determine whether they want to follow this strictly or create their own framework.

Member of the public Peter Kroopnick added that there are spreadsheets within the ADWR records which he has taken and graphed through 2017 and found that demand is growing at about 3.5% per year throughout the entire AMA which looks grim to him. Need regional conservation plans.

This item was for discussion only. No formal action was taken.

D. Discussion Regarding the Calendar Year 2021 Rebate Program Update.

Ms. Sydow provided a presentation to the Subcommittee regarding the 2021 rebate program. Reviewing the rebate element, the city issued 56 rebates for washing machines, 56 for 1.28 and 1.0 gallon dual flush toilets (includes thirty of the letters that were sent to owners who purchased the incorrect toilet), 15 for irrigation controllers, 14 for turf removal projects, and 11 for rainwater harvesting tanks.

Rebate Dollars Issued:
$12,200 – washing machines
$9,250 – toilets (includes $2058 for single flush)
$1125 – irrigation controllers
$2,493 – ($.50/sq foot or gallon) turf or rainwater harvesting

Gallons Save Annually:
250,100 gallons – washing machines
774,675 – toilets

129,200 – irrigation controllers
1,316,667 – turf removal
108,150 – rainwater tanks
Total saved – 2,578,792 gallons which is equivalent to 7.91 AF

Ms. Sydow commented that $40,000/year is typically budgeted for the Rebate Program with the flexibility to exceed.

Ms. Rowitsch added that as part of the budget process they look at trends and budget accordingly. If it goes over budget, funds are shifted within the budget. The focus is not on the money spent in rebates, but on the water saved.

Member Montoya asked if this extends to commercial in the community

Ms. Rowitsch confirmed that the rebates extend to all water users.

Ms. Sydow added that she continues to share information to users and water service applicants regarding the program, etc. In December 2020 she conducted a water audit at all the local schools and then sent information on how to make improvements. Also conducted water audits for Chamber of Commerce and Sharlot Hall in August/September 2021.

Chairperson Rusing commented that there is a concept of ornamental turf and asked if staff identifies those users.

Ms. Sydow commented that she has not, but staff recognizes the opportunity for those communications.

Member of the public Leslie Hoy commented that the turf removal does stand out as the big water saver and asked what success staff experienced regarding outreach to homeowners with turf. Noted that CWAG utilized an intern to help identify well owners with water tanks.

Ms. Sydow said staff can investigate that and appreciates the offer.

This item was for discussion only. No formal action was taken.

5. General Announcements from Staff

Ms. Graser addressed the Subcommittee with the general announcements:

- The Decision and Order was filed on 12/17/21 and is available on the city website
- City's drought plan (due every five years) was filed with ADWR on 12/13/21 and is available on the city website
- Adjudication Piece – Subflow Technical Report due dates have been revised. Council can review the report filed at provided website link
- AZ Legislature began the 55th Session on Jan. 10, 2022

This item was for discussion only. No formal action was taken.

6. **ADJOURNMENT**
   There being no further business to discuss, Chairperson Rusing adjourned the meeting at 9:58 a.m.

____

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 January 11, 2022. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ______ day of ___________________, 2022.

AFFIX
CITY
SEAL

____

Jennifer Wiita, Deputy City Clerk

4.B

CITY OF PRESCOTT

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: **REGULAR SUBCOMMITTEE MEETING** **02- 1-22**

DEPARTMENT: **Public Works**

AGENDA ITEM: Water Service Application No. WSA21-019, Submitted by Granite Dells Estates Properties, Inc., Prescott, Location: APN 103-04-009X, Comprising 98.87 acres, in Township 14 North, Range 01 West, Section 6, SE ¼ and SW ¼, in Part.

ITEM SUMMARY

Water Service Application No. WSA21-019 was submitted on September 20, 2021. Applicant is seeking potable supplies to serve Granite Dells Estates Phase 5, a 67 unit single family subdivision on custom-size lots.

BACKGROUND

City of Prescott Water management Policy (WMP), adopted November 19, 2019, includes a water connection policy. Projects within City Limits requiring more than two (2) acre-feet per year of potable water are to be reviewed by the Subcommittee on Water Issues prior to submission to City Council.

This request is associated with FNP21-006, final plat for Granite Dells Estates Subdivision, Phase 5. (Maps attached) The project consists of 67 dwelling units. Each lot will be separately metered.

The property lies within the boundary of the Procedural Pre-Annexation Agreement, City Contract No. 2008-164, 164A1 and 164A2, and an Agreement for Potable Water City Contract No. 2008-165, 165A1, and 165A2. This project will be provided water through the Granite Dells Estates contract. The Granite Dells Estates Master Plan allows for a maximum of 1,384 dwelling units. To date the City has approved 1,316 dwelling units. With the addition of 67 dwelling units in Phase 5, only one lot will remain from the contract.

A water demand analysis was submitted by Lyon Engineering on September 24, 2021. Estimated potable demand for 67 single family residences is **11.39 acre-feet per year.** The open space tracts will remain native desert.

Applicant has completed the following:
Application received, September 20, 2021
Submitted all documents, January 5, 2022
Presented to P&Z Commission, January 27, 2022
Present to WIS, February 1, 2022
Present to City Council, February 22, 2022

FINANCIAL IMPACT

N/A

Recommended Action: MOVE to forward WSA21-019 to Council for approval or denial.

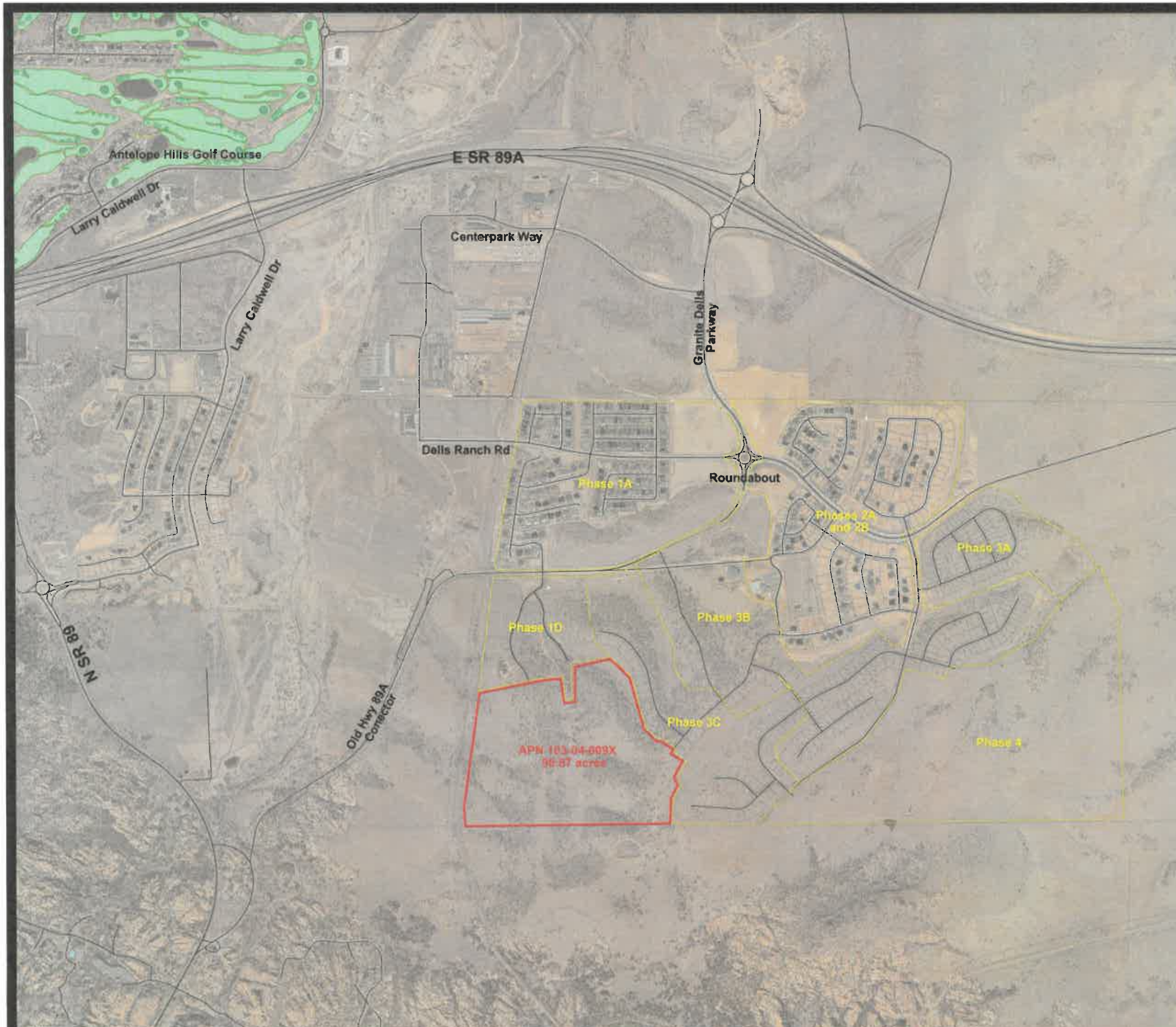
ATTACHMENTS

1. Map.pdf
2. Site Plan.pdf

WSA21-019

Granite Dells Estates Phase 5

Granite Dells Estates Properties, Inc.



CITY OF PRESCOTT ARIZONA

Everybody's Hometown

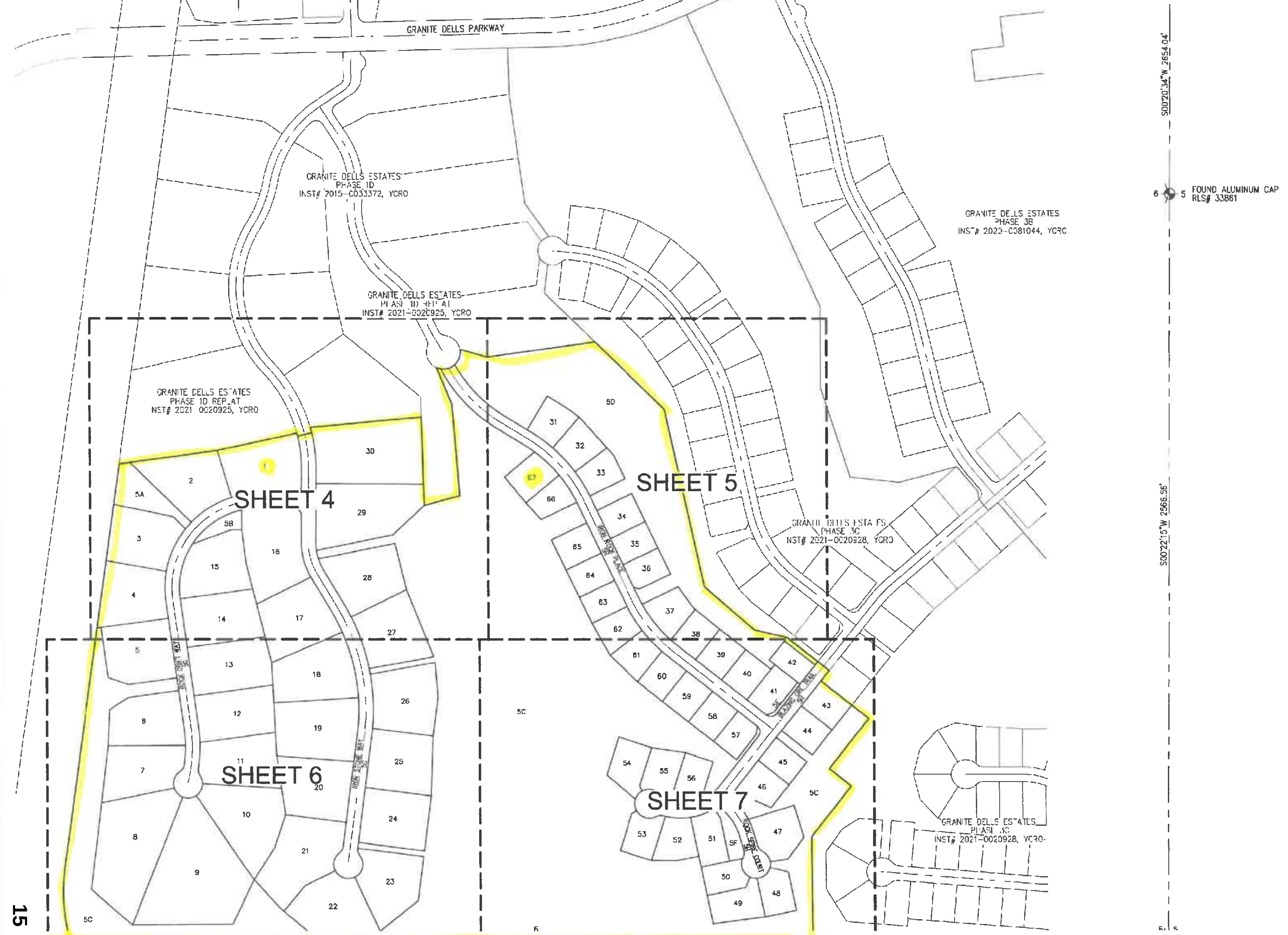
This map is a product of The City of Prescott

0' 1" = 1691'

kay.sydow, 2022-01-07 10:41:45

This document is a graphic representation only of best available sources. The City of Prescott assumes no responsibility for any errors.

GRANITE DELLS ESTATES
PHASE 5
67 LOTS



4.C

CITY OF PRESCOTT

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: **REGULAR SUBCOMMITTEE MEETING** **02- 1-22**

DEPARTMENT: **Public Works**

AGENDA ITEM: Focus Topic - Introduction to Northern Arizona Municipal Water Users Association (NAMWUA), Staff Update from January 21, 2022 Board Meeting.

ITEM SUMMARY

Review NAMWUA's January 21, 2022, Board Agenda

BACKGROUND

Northern Arizona Municipal Water Users Association

a. Formation: By-Laws passed and approved October 15, 2004

b. Purpose: To work together to develop a sustainable regional water supply

c. Structure: Executive Board and Technical Advisory Committee (TAC)

d. Meetings: Board convenes quarterly (on the 3rd Friday of Jan, April, July, Oct), and TAC convenes monthly (on the 3rd Friday)

e. City representatives: Former Councilman Blair with Councilman Montoya as alternate

f. City's monetary contribution: FY22 = $4,425.87

g. Current Executive Board Members: Steve Blair, Chairman (Prescott); Roger Kinsinger, Vice-Chair (Councilman–Prescott Valley); Lisa O'Neill, Secretary/Treasurer (Councilwoman -Clarkdale); Jack Miller (Mayor–Chino Valley); Becky Daggett (Vice Mayor–Flagstaff), Tim Elinski (Mayor–Cottonwood); Tom Lamkin (Councilman–Sedona); and Terri Sue Rossi (AZ Water Company)

h. Current Technical Advisory Committee – Leslie Graser, Chair (Prescott), John Munderloh, Vice-Chair (Prescott Valley), Erin Young (Flagstaff), Mark Holmes (Chino Valley), Tom Whitmer (Cottonwood), Roxanne Holland (Sedona) John Snickers (AWC), alternative (Clarkdale)

i. Coordinator: Ron Doba, Ron Doba Consulting

j. Website: https://www.namwua.org/

FINANCIAL IMPACT

Fiscal Year 2022 City membership dues were $4,425.87.

Recommended Action: **This item is for discussion only. No formal action will be taken.**

ATTACHMENTS

1. BD Agenda 1 21 2022.pdf

NORTHERN ARIZONA MUNICIPAL WATER USERS ASSOCIATION
AGENDA

BOARD MEETING

January 21, 2022 **10:00 AM**

The January 2022 Board meeting will be a Zoom video conference. Please see the following instructions to join:

Please join the meeting from your computer, tablet or smartphone. You can copy and paste the following link into your browser:

https://us02web.zoom.us/j/6160099904
Meeting ID: 616 009 9904

You can also call in on the following number:
669 900 9128

CALL TO ORDER

As a reminder, if you are carrying a cell phone, electronic pager, computer, two-way radio, or other sound device, we ask that you turn it off at this time to minimize disruption to today's meeting.

1. ROLL CALL:

Chino Valley	**Jack Miller**	________
Clarkdale	**Lisa O'Neill**	________
Cottonwood	**Tim Elinski**	________
Flagstaff	**Becky Daggett**	________
Prescott	**Steve Blair**	________
Prescott Valley	**Roger Kinsinger**	________
Sedona	**Tom Lamkin**	________
Arizona Water Company	**John Snickers**	________

2. MINUTES

Consideration of Minutes - Board Meeting of October 15, 2021

RECOMMENDED ACTION: Approve the minutes as submitted/corrected.

3. PUBLIC PARTICIPATION

Public Participation enables the public to address the Association about an item that is not on the agenda. If you wish to address the Association during Public Participation, please put you name in the chat room or fill out a participation request and indicate you would like to speak.

If you wish to address the Association at today's meeting on an item that is on the agenda, please put your name in the chat room or fill out a participation request and indicate you would like to speak on a particular item. Your name will be called when it is your turn to speak.

Please limit your remarks to five minutes per item to allow everyone an opportunity to speak.

4. ACTION ITEMS

- **a. Consideration of NAMWUA FY 2023 Budget – Ron Doba**
- **b. Consideration of NAMWUA Program Manager Agreement for 2022 – Ron Doba**
- **c. Consideration of NAMWUA Bylaws Amendment – Ron Doba**

5. NON-ACTION ITEMS - None

6. INFORMATIONAL ITEMS

- **a. GWAICC Report – Ron Doba**
- **b. NAMWUA 2022 Meeting Schedule**
- **c. Financial Report – Ron Doba**
- **d. Informational Items to/from Board and TAC Members**

7. Adjourn

NORTHERN ARIZONA MUNICIPAL WATER USERS ASSOCIATION
MINUTES

BOARD MEETING

LOCATION: CITY OF SEDONA
VULTEE CONFERENCE ROOM
CITY HALL
102 ROADRUNNER DR.

October 15, 2021

CALL TO ORDER

Chair Steve Blair turned the meeting over to Vice Chair Roger Kinsinger who called the meeting to order at approximately 10:00 A.M.

1. ROLL CALL:

Board Members Present:

Chino Valley	Jack Miller	present (virtual)
Clarkdale	Lisa O'Neill	present
Cottonwood	Tim Elinski	absent
Flagstaff	Becky Daggett	present (virtual)
Prescott	Steve Blair	present (virtual)
Prescott Valley	Roger Kinsinger	present
Sedona	Tom Lamkin	present
AZ Water Company	John Snickers	present

Others Present:

Ron Doba, NAMWUA
John Munderloh, Prescott Valley
Karen Modesto, ADWR
Leslie Graser, Prescott (virtual)
Mark Holmes, Chino Valley
Roger Kinsinger, Prescott Valley
Erin Young, City of Flagstaff
Lora Lee Nye, Prescott Valley
Kay Sydow, Prescott Valley (virtual)
John …, visitor
Roxanne Holland, Sedona
Mallory Razkowski, AHS (virtual)
JoAnna Mendoza, Congressman O'Halleran's Office (virtual)
Catherine Riedel, ADWR (virtual)
Cindy Blackmore, Chino Valley (virtual)
Don Bills, AHS (virtual)

2. MINUTES

Consideration of Minutes - Board Meeting of July 16, 2021

MOTION: Tom Lamkin moved that the minutes be approved. Steve Blair seconded the motion. The Board unanimously approved the minutes.

3. PUBLIC PARTICIPATION

Vice Chair Roger Kinsinger asked if there were any requests by the public to speak. There were no requests to speak.
The participants in the room and the Zoom meeting were introduced. Chairman Blair reported he has been asked to stay on NAMWUA as the representative for the City of Prescott.

4. ACTION ITEMS

a. Consideration of Approving Arizona Water Company as a NAMWUA Voting Member

Ron provided background on the current non-voting membership of AZ Water Company. AZ Water Company has requested membership as a voting member. The TAC is recommending the Board approve AZ Water Co. as a voting member and the population portion of the dues be split 50/50 between AZ Water Co. and Sedona. Jack Miller made a motion to approve AZ Water Co. as a voting member. The motion was seconded by Tom Lamkin and carried. Ron indicated the TAC was recommending AZ Water Co. only be assessed the fixed amount for this fiscal year because it is currently underway.

b. Consideration of NAMWUA Website Rebuild

Ron gave a brief presentation on the NAMWUA website. The current website is over 20 years old. The TAC is recommending the website be reconstructed to make it more attractive to users. Steve Blair made a motion to rebuild the website for a cost not to exceed $4,000. The motion was seconded by Jack Miller and carried.

c. Consideration of Water Utilities Leadership Forum Continuation

Ron reported this did not require formal action by the Board. The intent is to notify the Board that the TAC plans to provide the next WULF in 2023 in lieu of annually.

5. NON-ACTION ITEMS - None

a. Brief Board Orientation Presentations

The following orientation presentations were provided and are posted on the NAMWUA website.

NAMWUA History – Ron Doba
AZ Water Company – John Snickers
Chino Valley – Mark Holmes
Flagstaff – Erin Young

Prescott – Leslie Graser
Prescott Valley – John Munderloh
Sedona – Roxanne Holland

6. INFORMATIONAL ITEMS

a. GWAICC Report

Ron reported the next meeting should be coming up in December. He discussed the various committees that report to the GWAICC and their chairs. Ron, Leslie, Mark and John Munderloh have been working on a study committee to make recommendations on the PrAMA exempt well issue for the Post 2025 Committee.

b. WULF Update

Ron had covered this item previously.

c. Financial Report

Ron presented the financial reports. There were no questions.

d. Informational Items to/from Board and TAC Members

Roger Kinsinger reported they have a new Town Manager and is working on their 2023 General Plan
Lisa O'Neil reported Clarkdale is having final interviews for their new Town Manager.

7. ADJOURNMENT

The meeting adjourned at approximately 12:10 PM.

Northern Arizona Municipal Water Users Association

TECHNICAL ADVISORY REPORT FOR ACTION ITEMS

TO: NAMWUA Board of Directors

BY: Ron Doba, Program Manager

DATE: 1/10/2022

MEETING DATE: 1/21/2022

TITLE:
CONSIDERATION OF NAMWUA BUDGET FOR FY 2023

RECOMMENDED ACTION:
THE TECHNICAL ADVISORY COMMITTEE RECOMMENDS THE BOARD APPROVE THE BUDGET PROPOSAL IN THE AMOUNT OF $41,817 FOR FY 2023

ACTION SUMMARY:
This action will approve the Technical Advisory Committee's FY 2023 NAMWUA budget recommendation of $41,817.

DISCUSSION:
The Technical Advisory Committee considered the FY 2023 budget at their November 19, 2021 meeting and their December 17, 2021 meeting. Membership dues are required to support the activities of the NAMWUA 501(c) (4) organization. Examples include the following:

- Administration of NAMWUA, board and TAC meetings
- Accounting, clerical and other services as determined by the board
- Participation in ADWR various issue meetings
- Representation of NAMWUA at water related events as requested (e.g., League of Cities and Towns, Vetting 4 Water Forums, etc.)
- Lobbying activities as directed by the board
- Corporate and lobbyists fees (ACC and Sec of State)
- Events such as the Legislative Water Briefing that has been co-sponsored in the past with other watershed groups

- NAMWUA representation on legislative working groups and with other water user associations (AMWUA, SAWUA), Governor's Water Augmentation, Innovation, and Conservation Council, Kyl Center for Water Policy, etc.

The budget proposed by the TAC includes advertising twice in the Arizona Capitol Times concurrently with water issues. Last year's NAMWUA budget was $25,000.00.

Key Considerations:
The board first approved hiring a Program Manager for NAMWUA in 2005 with a cap of $50,000/year. Since then, annual membership dues have been as follows (total from all members):

FY 2006 - $32,933
FY 2007 - $32,933
FY 2008 - $47,933
FY 2009 - $32,933
FY 2010 - $25,000
FY 2011 - $20,000
FY 2012 - $20,000
FY 2013 - $20,000

FY 2015 - $20,000
FY 2016 - $18,700
FY 2017 - $18,700
FY 2018 - $16,655
FY 2019 - $18,648
FY 2020 - $17,780
FY 2021 - $25,000
FY 2022 – $25,000
FY 2023 – Proposed $41, 817

Fifty percent of the budget is shared equally by the members and the remaining amount is allocated proportionately by the population (except for Sedona and AZ Water Company who split the portion attributable to population). The population numbers are from the 2020 estimated census. AZ Water Company is a new funding member for FY 2023.

Although the proposed budget is for $41,817, the amount of funding from members is $29,800 due to sponsorship income from the 2024 Water Utilities Leadership Forum. Increases in the proposed budget also include a 10% increase in meeting participation by the Program Manager as requested by the TAC and $2,000 replenishment to the reserve fund to work toward meeting the adopted financial policy of maintain one year's operating expenses in reserve.

Financial Implications:
The attached budget identifies the FY 2023 dues for each member and a comparison with last year's dues.

NAMWUA Members	Members Proportional Cost @ $29,800	Members Proportional Cost FY22
Town of Chino Valley	$ 2,789.40	$2563.32

Town of Clarkdale	$	2,186.92	$2,057.88
City of Cottonwood	$	2,751.89	$2,531.85
City of Flagstaff	$	7,264.86	$6,317.92
City of Prescott	$	5,009.55	$4,425.87
Town of Prescott Valley	$	5,337.68	$4,701.15
City of Sedona	$	2,229.85	$2,402.02
AZ Water Co.	$	2,229.85	$0.00
Totals	$	29,800.00	$25,000.00

Options and Alternatives:
Approve the FY 2023 proposed budget from the TAC.
Amend the FY 20223 proposed budget as determined by the board.

Attachments /Exhibits:
FY 2023 NAMWUA Proposed Budget

NAMWUA Members:

Chino Valley	______________________	Prescott	______________________
Clarkdale	______________________	Prescott Valley	______________________
Cottonwood	______________________	Sedona	______________________
Flagstaff	______________________	AZ Water Company	______________________

Date of Board of Directors Approval ___________________

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	***Page 1***													
2	**CY 2021 Income vs Expenses**													
3		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
4	**Income**													
5	Chino Valley	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,563.32	$ -	$ -	$ -	$ -	$ -	$ 2,563.32
6	Clarkdale	$ -	$ -	$ -	$ 2,057.88	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,057.88
7	Cottonwood	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,531.85	$ -	$ -	$ -	$ -	$ -	$ 2,531.85
8	Flagstaff	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,317.92	$ -	$ -	$ -	$ -	$ -	$ 6,317.92
9	Prescott	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,425.87	$ -	$ -	$ -	$ -	$ -	$ 4,425.87
10	Prescott Valley	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,701.15	$ -	$ -	$ -	$ -	$ -	$ 4,701.15
11	Sedona	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,402.02	$ -	$ -	$ -	$ -	$ -	$ 2,402.02
12	AZ Water Co.	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,562.50	$ -	$ -	$ 1,562.50
13	WULF Sponsors	$ 2,500.00	$ -	$ 1,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,000.00
14	Wells Fargo	$ 0.28	$ 0.26	$ 0.28	$ 0.28	$ 0.26	$ 0.20	$ 0.28	$ 0.36	$ 0.32	$ 0.30	$ 0.28	$ 0.27	$ 3.37
15	Total													$ 30,565.88
16														
17	**Expenses**													
18	AllwebCo (hosting fee)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 119.40	$ -	$ -	$ -	$ 119.40
19	Web.com (domain renewal)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	IRS PTIN	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 35.95	$ -	$ -	$ 35.95
21	Video Conferencing	$ -	$ -	$ -	$ -	$ 224.85	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 224.85
22	Doba Management	$ 2,428.80	$ 2,826.60	$ 1,668.30	$ 2,322.00	$ 2,254.24	$ 4,245.46	$ 2,471.42	$ 2,888.54	$ 2,668.20	$ 2,909.60	$ 3,370.24	$ 2,337.20	$ 32,390.60
23	Lisa Culbert	$ 390.00	$ -	$ -	$ 1,275.00	$ -	$ 2,290.68	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,955.68
24	WULF Expenses	$ 556.66	$ 135.05	$ 688.00	$ 317.06	$ 2,394.67	$ -	$ -	$ -	$ 50.00	$ -	$ -	$ -	$ 4,141.44
25	Copies	$ 1.27	$ -	$ -	$ 14.26	$ -	$ -	$ 13.48	$ -	$ -	$ 16.81	$ -	$ -	$ 45.82
26	Shared software costs (CPWP)	$ 97.18	$ -	$ -	$ 41.70	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 138.88
27	Postage	$ -	$ -	$ -	$ -	$ -	$ 11.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 11.00
28	Bd/TAC Meeting Supplies	$ -	$ -	$ -	$ 40.65	$ -	$ 14.84	$ 219.36	$ -	$ -	$ 35.40	$ -	$ -	$ 310.25
29	AZ Sec of State (Lobbyist reg)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
30	AZ Capitol Times	$ -	$ -	$ -	$ 300.00	$ -	$ -	$ -	$ -	$ 400.00	$ -	$ -	$ -	$ 700.00
31	AZ Corp Commission	$ -	$ -	$ -	$ 10.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10.00
32	Bank Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
33	Appreciation Awards	$ -	$ -	$ -	$ -	$ -	$ 189.07	$ 9.61	$ -	$ -	$ -	$ 84.00	$ -	$ 282.68
34	Total	$ 3,473.91	$ 2,961.65	$ 2,356.30	$ 4,320.67	$ 4,873.76	$ 6,751.05	$ 2,713.87	$ 2,888.54	$ 3,237.60	$ 2,997.76	$ 3,454.24	$ 2,337.20	$ 42,366.55

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	***Page 2***													
2	**Doba Management Services Billing Breakdown for CY2021**													
3		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
4	Clerical Services*	$ 110.40	$ 163.20	$ 63.70	$ 78.40	$ 186.20	$ 9.80	$ 171.50	$ 161.70	$ 98.00	$ 98.00	$ 186.20	$ 107.80	$ 1,434.90
5	PM Gen Services**	$ 828.00	$ 910.80	$ 596.40	$ 1,533.60	$ 511.20	$ 3,138.20	$ -	$ 213.00	$ 284.00	$ 142.00	$ 227.20	$ 127.80	$ 8,512.20
6	PM TAC Related	$ 220.80	$ 234.60	$ 269.80	$ 255.60	$ 142.00	$ -	$ 596.40	$ 326.60	$ 738.40	$ 383.40	$ 184.60	$ 369.20	$ 3,721.40
7	PM Board Related	$ 124.20	$ 731.40	$ -	$ -	$ 355.00	$ -	$ 42.60	$ 326.60	$ -	$ 255.60	$ 596.40	$ -	$ 2,431.80
8	PM Communications	$ 483.00	$ 552.00	$ 213.00	$ 71.00	$ 440.20	$ 255.60	$ 568.00	$ 142.00	$ 227.20	$ -	$ 127.80	$ 213.00	$ 3,292.80
9	PM Organization Maint	$ 234.60	$ 234.60	$ 113.60	$ 99.40	$ 184.60	$ -	$ 127.80	$ 127.80	$ -	$ 42.60	$ 383.40	$ 979.80	$ 2,528.20
10	PM GWAICC	$ 427.80	$ -	$ 411.80	$ 284.00	$ 312.40	$ 255.60	$ 852.00	$ 1,462.60	$ 1,320.60	$ 1,988.00	$ 1,533.60	$ 539.60	$ 9,388.00
11	Mileage	$ -	$ -	$ -	$ -	$ 122.64	$ -	$ 113.12	$ 128.24	$ -	$ -	$ 131.04	$ -	$ 495.04
12	Meeting supplies	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	WULF Expenses (Lodging, vehicle rental, gas)	$ -	$ -	$ -	$ -	$ -	$ 586.26	$ -	$ -	$ -	$ -	$ -	$ -	$ 586.26
14	Total	$ 2,428.80	$ 2,826.60	$ 1,668.30	$ 2,322.00	$ 2,254.24	$ 4,245.46	$ 2,471.42	$ 2,888.54	$ 2,668.20	$ 2,909.60	$ 3,370.24	$ 2,337.20	$ 32,390.60
15														
16	* Clerical Services include meeting minutes, A/P, A/R, general bookkeeping, copies, mailings.													
17	** General Services include meeting attendance and reporting not specifically identified otherwise (Vetting 4 Water mtgs, etc.)													

	A	B	C	D	E	F	G	H	I
1	***Page 3***								
2	**FY 2023 Budget**								
3	**NAMWUA Members**	**Population 2020***	**Share of Total Population**	**Shared Cost by Population**	**Shared Fixed Cost**	**Total Member Cost @ $29,800**	**Members Final Proportional Share**		**FY 2022 Total Member Cost @ $25,000**
4	**Town of Chino Valley**	12,997	6.22%	$ 926.90	$ 1,862.50	$ 2,789.40	9.36%		$2,563.32
5	**Town of Clarkdale**	4,549	2.18%	$ 324.42	$ 1,862.50	$ 2,186.92	7.34%		$2,057.88
6	**City of Cottonwood**	12,471	5.97%	$ 889.39	$ 1,862.50	$ 2,751.89	9.23%		$2,531.85
7	**City of Flagstaff**	75,752	36.26%	$ 5,402.36	$ 1,862.50	$ 7,264.86	24.38%		$6,317.92
8	**City of Prescott**	44,128	21.12%	$ 3,147.05	$ 1,862.50	$ 5,009.55	16.81%		$4,425.87
9	**Town of Prescott Valley**	48,729	23.32%	$ 3,475.18	$ 1,862.50	$ 5,337.68	17.91%		$4,701.15
10	**City of Sedona**	5,151	2.47%	$ 367.35	$ 1,862.50	$ 2,229.85	7.48%		$2,402.02
11	**AZ Water Company**	5,151	2.47%	$ 367.35	$ 1,862.50	$ 2,229.85	7.48%		$0.00
12	**Totals**	208,928	100.00%	$ 14,900.00	$ 14,900.00	$ 29,800.00	100.00%		$25,000.00
13									
14	*Source: U.S.Census Annual Estimate								
15		**FY 23 Budget**		**To Date 1/1/21 - 12/31/21**					
16									
17	*Revenues*								
18	Membership Dues	$ 29,800.00		$ 26,562.51					
19	Interest	$ 3.00		$ 3.37					
20	WULF Sponsorships	$ 12,000.00		$ 4,000.00					
21	Total Revenue	$ 41,803.00		$ 30,565.88					
22									
23									
24	*Expenses*								
25	Administration costs*	$ 27,222.00		$ 32,390.60					
26	Web hosting fees	$ 120.00		$ 119.40					
27	Web Domain Renewal	$ 35.00		$ -					
28	Web site rebuild	$ 4,000.00		$ -					
29	Annual corporate filing fee	$ 10.00		$ 10.00					
30	Estimated conference call fees	$ -		$ -					
31	Video conferencing	$ 90.00		$ 224.85					
32	Bank Fees/Checks	$ -		$ -					
33	Consulting/legal services	$ -		$ 3,955.68					
34	IRS PTIN	$ -		$ 35.95					
35	Secretary of State Fees	$ 25.00		$ -					
36	Shared software costs	$ 140.00		$ 138.88					
37	Postage	$ 25.00		$ 11.00					
38	Copies	$ 100.00		$ 45.82					
39	Meeting Supplies	$ 100.00		$ 310.25					
40	Advertising (twice, AZ Cap Times)	$ 800.00		$ 700.00					
41	Reserve replenishment	$ 2,000.00		$ -					
42	WULF	$ 7,000.00		$ 4,141.44					
43	Appreciation Awards	$ 150.00		$ 282.68					
44	Total Expenses	$ 41,817.00		$ 42,366.55					
45									
46									
47	* includes 10% additional meeting time and 5% COLA increase for FY 2023								

	A	B	C
1	***Page 4***		
2	**Estimated FY2022 Carryover**		
3	**Cash on hand 12/31/21**		
4	Savings account		$ 29,523
5	Checking account		$ 2,660
6			$ 32,183
7			
8	**Estimated expenses thru 6/30/2022**		
9	Admin fees		$ 13,611
10	Copies		$ 20
11	Video conferencing		$ 180
12	Postage		$ 10
13	Corporate filing fees		$ 10
14	Mtg supplies		$ 50
15	Shared software costs		$ 140
16	Advertising		$ 400
17	Consulting fees		$ 4,000
18	Appreciation Awards		$ -
19			$ 18,421
20			
21	**EOY FY 2022 estimate**		$ 13,762
22			
23	ESTIMATE		

Northern Arizona Municipal Water Users Association

TECHNICAL ADVISORY REPORT FOR ACTION ITEMS

TO: NAMWUA Board of Directors

BY: Ron Doba, Program Manager

DATE: 1/10/2022

MEETING DATE: 1/21/2022

TITLE:
CONSIDERATION OF NAMWUA PROGRAM MANAGER SERVICES FOR 2022

RECOMMENDED ACTION:
THE TECHNICAL ADVISORY COMMITTEE RECOMMENDS THE BOARD APPROVE THE INDEPENDENT CONSULTANT AGREEMENT WITH RON DOBA MANAGEMENT SERVICES, LLC FROM FEB 1, 2022 TO FEB 1, 2023

ACTION SUMMARY:
This action will renew the Agreement for program manager services with Ron Doba for one year. Either party may terminate the Agreement with or without cause by giving 30 days notice. Ron Doba has performed the program manager services for NAMWUA since September of 2007. The TAC considered this item at their December 18th meeting and recommends approval by the board.

DISCUSSION:
The board initially authorized Ron Doba to provide temporary program manager services in September of 2007. The services were to be re-evaluated in January of 2008. In February of 2008 the NAMWUA board approved an agreement with Ron Doba Management Services to continue as program manager thru January 2009. The Agreement has been renewed annually by the board since that time. Ron Doba has proposed to continue as the NAMWUA program manager for an additional year. There have been no fee adjustments for two years. The fees have been adjusted in this agreement by 5% at the request of the TAC based on current cost of living changes. This is based on the Social Security COLA increase of 5% for 2023. Ron Doba has been providing Clerical Services for TAC

and board meetings at a reduced rate. Reduced rate services include meeting minutes, accounts receivable and accounts payable for the non-profit.

Key Considerations:
Ron Doba has been involved with NAMWUA since its inception as the City of Flagstaff Utilities Director. He retired from the City of Flagstaff in August of 2007 after 21 years as Utilities Director, Public Works Director, and Interim City Manager. Ron has served on an interim basis as Utilities Director for the Town of Clarkdale, a past WIFA board member, past Chair of the WIFA Finance Committee, served on the Governor's "Blue Ribbon" panel for water sustainability, the ADWR Water Resources Development Commission and is a Past-President of WateReuse Arizona. He is currently the "Designated Lobbyist" for NAMWUA and represents NAMWUA on the Governor's Water Augmentation, Innovation and Conservation Council, associated committees and the Kyl Center for Water Policy Advisory Board. Ron Doba is also the Coordinator for the Coconino Plateau Watershed Partnership.

Financial Implications:
The proposed budget for FY 2023 takes into account estimated fees for this Agreement. The number of hours charged varies based on assigned responsibilities from the TAC and Board.

Options and Alternatives:
An alternative is to solicit another program manager. This could be a private party or consulting firm.

Modify the Agreement.

Another alternative would be to not have a paid program manager and utilize the TAC to administer the organization. This arrangement is how NAMWUA started out. This worked well until the activities of the organization started growing, necessitating outside assistance for the TAC members.

Attachments /Exhibits:
Independent Consultant Agreement for Ron Doba Management Services, LLC.

NAMWUA Members:

Chino Valley	____________________	Prescott	____________________
Clarkdale	____________________	Prescott Valley	____________________
Cottonwood	____________________	Sedona	____________________
Flagstaff	____________________	AZ Water Co.	____________________

Date of Board of Directors Approval _______________

NORTHERN ARIZONA MUNICIPAL WATER USERS ASSOCIATION
INDEPENDENT CONSULTANT AGREEMENT

THIS INDEPENDENT CONSULTANT AGREEMENT ("Agreement") is made and entered into as of this 1st day of February, 2022, by and between the Northern Arizona Municipal Water Users Association ("Association"), an Arizona Non-Profit Corporation, and Ron Doba Management Services ("Consultant"), a Limited Liability Company located in Scottsdale, Arizona.

RECITALS

WHEREAS, the Consultant has expertise and skill in an area of work desired by the Association and is willing to provide consulting services to the Association; and

WHEREAS, the Association is willing to engage Consultant as an Independent Contractor, and not as an employee, on the terms and conditions set forth in this Agreement.

AGREEMENT

ARTICLE I - SCOPE OF SERVICE

The Consultant agrees to provide the professional services specified in the Scope of Services defined in Exhibit "A."

ARTICLE II – CONSULTANT IS AN INDEPENDENT CONTRACTOR

This Agreement does not create an employee/employer relationship between the parties. It is the parties' intention that the Consultant will be an independent contractor and not an employee of the Association for all purposes, including, but not limited to, the Fair Labor Standards Act, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the Internal Revenue Code (and any other Arizona income tax laws), the Arizona state workers' compensation laws, the Arizona State unemployment insurance laws and any of the Association's benefit plans for the Association's employees. Consultant will retain sole and absolute discretion over the manner and means of carrying out the Consultant's Scope of Services. Consultant agrees that it is a separate and independent enterprise from the Association, that it has a full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Agreement shall not be construed as creating any joint employment relationship between Consultant and the Association and the Association will not be liable for any obligation incurred by the Consultant, including but not limited to unpaid minimum wages and/or overtime premiums. This Agreement shall not be construed to authorize the Consultant to act as an agent for the Association in any manner.

ARTICLE III - TIME OF PERFORMANCE

Work shall commence on February 1, 2022, and will expire on February 1, 2023. The contract shall automatically renew on a month-to-month basis unless written notice to the contrary is filed with either party not later than the last business day (Monday through Friday) of the calendar month preceding the calendar month in which the current contract period expires.

ARTICLE IV - ASSOCIATION RESPONSIBILITIES

The Association shall accomplish the following:

Assist the Consultant by placing at its disposal all available information pertinent to the Scope of Services for the project.

Use its best efforts to secure release of other data necessary for the Consultant to perform the Scope of Services held by others.

Give prompt written notice to the Consultant whenever the Association observes, or otherwise becomes aware of, any fault or defect in the services or non-conformance with this Agreement.

ARTICLE V - CONSULTANT RESPONSIBILITIES

The consultant shall accomplish the following:

Give prompt notice to the Association whenever the Consultant observes, or otherwise becomes aware of, any fault or deficit in the project or any non-conformance with the Agreement.

Observe strict confidentiality in relations with all other parties regarding all of the Association's proprietary information and regarding any other information obtained in connection with the representation of the Association.

Consultant specifically agrees to indemnify, defend and hold harmless the Association and all of its officers, employees and officials from all claims of damages, costs or expenses in law and equity, including any wage or overtime claims made by any of Consultant's employees, and including reasonable attorney's fees and costs of suit that may arise out of or be related to any claims of damages, injury or harm to property or persons received or suffered as a result of the negligent errors, acts or omission of the Consultant or any or its agents, officers, employees and/or subcontractors engaged in the performance of services under the terms of this contract to the full extent permitted by law.

ARTICLE VI – ORGANIZATIONAL CONFLICT OF INTEREST

The definition of an organizational conflict of interest for the purpose of this Independent Consultant Agreement includes the following:

- Employment outside this Agreement with another employer where the interest(s) contradict the interest(s) of the Association
- Representing another employer and the Association at the same venue for similar or non-similar purposes

The Consultant warrants that, to the best of the Consultant's belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest as defined in ARTICLE VI, or that the Consultant has disclosed all such relevant information.

The Consultant agrees that if an actual or potential organizational conflict of interest is identified during performance, the Consultant shall make a full disclosure in writing to the Association Board of Directors within five (5) working days. This disclosure shall include a description of actions which the Consultant has taken or proposes to take, after consultation with the Chairpersons of the Technical Advisory Committee and Board of Directors, to avoid, mitigate, or neutralize the actual or potential conflict of interest. The Consultant shall continue performance until notified by the Chairperson of the Technical Advisory Committee of any contrary action to be taken.

The Association may terminate this Agreement for convenience, in whole or in part, if it deems such termination is necessary to avoid an organizational conflict of interest.

ARTICLE VII - COMPENSATION

The Consultant shall be compensated for services in accordance with the fee schedules in Exhibit "A."
It is further agreed that the Consultant shall not bill the Association, and Association shall not be liable to pay, any costs in excess of this amount without specific written authorization to do so from the Association, in accordance with the amendment procedure described in Article X hereunder.

The parties further agree and acknowledge that the Association is engaging Consultant as an independent contractor to provide services to the Association under the terms of this agreement and that the Association shall not be required, under any circumstance(s), to assume liability for the direct payment of any salary, wage, or other compensation to any person employed by the Consultant before, during, or after this agreement is in effect.

ARTICLE VIII – INCOME TAX DESIGNATION AND INDEMNIFICATION

The Association shall not withhold from sums becoming payable to the Consultant under this Agreement any amounts for federal, state or local taxes, including federal or state income taxes, employment taxes (including Social Security and Medicare taxes), and unemployment taxes. The Association shall report all payments to Consultant on Internal Revenue Service Form 1099. The Consultant agrees that any tax obligation of Consultant arising from the payments made under this Agreement will be the Consultant's sole responsibility. The Consultant will indemnify the Association for any tax liability, interest, and/or penalties imposed upon the Association by any taxing authority based upon the Association's failure to withhold any amount from the payments for tax purposes.

ARTICLE IX - METHOD AND SCHEDULE OF PAYMENT

The Consultant will invoice the Association monthly for services rendered through the end of the previous month, and the Association agrees to pay within thirty (30) days of receipt of a valid invoice. A valid invoice shall consist of a monthly account with a description of work performed, as well as an itemization of all reimbursable expenses, which must be documented with copies of receipts upon request by the Association.

All invoices must include a description of the service performed.

ARTICLE X - TERMINATION

Either party may cancel or terminate this Agreement at any time, with or without cause, by giving thirty (30) days written notice to the other party. In the event such termination occurs prior to completion of the Scope of Services provided herein, the Association agrees to pay the Consultant for work actually performed in accordance with the terms of this Agreement through the cancellation date.

ARTICLE XI - CHANGES

The Association may, from time to time, require changes in the Scope of Services by the Consultant to be performed hereunder. Such changes which are mutually agreed upon by and between the Association and the Consultant shall be incorporated by written amendment to this Agreement. No payment shall be made by the Association to the Consultant for any work that does not have such an amendment incorporated into this Contract by mutual signed agreement. There shall be no oral modifications of this Agreement.

ARTICLE XII - AUTHORITY

This Agreement shall be governed by the laws of the State of Arizona. Any actions arising out of or relating to this Agreement shall be brought in Coconino County, Arizona.

ARTICLE XIII - THIRD PARTY CONTRACTS

The Consultant shall have no authority to bind the Association in any way with third parties without the prior written consent of the Association.

ARTICLE XIV – ENTIRE AGREEMENT

This Agreement contains the entire understanding and agreement between the parties hereto with respect to its subject matter and supersedes any prior or contemporaneous written or oral agreements, representations or warranties between them respecting the subject matter hereof.

ARTICLE XV – SEVERABILITY

If any term, provision, covenant or condition of this Agreement, or the application thereof, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement shall remain in full force and effect.

ARTICLE XVI – ASSIGNMENT

This Agreement may not be assigned by the Consultant without the express written permission of the Association.

IN WITNESS THEREOF, the parties hereto have executed this Agreement in duplicate originals on the day and year here above written.

NORTHERN ARIZONA MUNICIPAL WATER USERS ASSOCIATION

By: ________________________________
Steve Blair, Board Chair

RON DOBA MANAGEMENT SERVICES, L.L.C.

By: ________________________________
Ron Doba, Principal

EXHIBIT "A"

SCOPE OF SERVICES

Ron Doba, Consultant will manage, oversee, advise and provide technical assistance to the Northern Arizona Municipal Water Users Association. Consultant shall provide his own work area to include computer for e-mail communications and telephone.

Duties and responsibilities of the consultant include:

- Maintenance of communications between Association membership, other organizations, and the public.
- Maintaining Association records, to include but not limited to by-laws, valid membership and officer lists, reports, studies, meeting agendas and minutes.
- Preparation and distribution of Board and Technical Committee agendas and minutes
- Provision of clerical assistance for the purpose of recording meeting minutes.
- Required reports that may determined by the Association and assigned on an as needed basis.
- Maintenance of the financial records of the Association
- Presentation of staff reports to the Board and Technical Committee
- Preparation of financial reports of the Association for the Board and technical committee.
- Respond to citizen and organization questions regarding the Association.
- Other assignments as requested by the Association
- Preparation and maintenance of annual budget

FEE AND BILLING

Consultant will be compensated at the rate of $149.00 per hour.

Clerical service will be provided by Consultant (unless provided by another agency) for the purpose of minute taking at meetings at the rate of $51.00 per hour.

Consultant will be compensated for mileage at the prevailing federal mileage rate for meetings.

Consultant will be compensated for any approved travel expenses, necessary to conduct business for the Association. Travel expenses must be approved prior to travel taking place by the Board or TAC Chair.

Reimbursables shall be compensated for at actual costs. Approved reimbursables include:

- Copy expenses
- Consumable office supplies (examples: paper, markers, printer supplies, recording tapes)
- Postage
- Commodities necessary for meetings (examples: name tags, refreshments, meeting room expenses)

Reimbursables shall be approved by the Technical Advisory Committee Chairperson if not identified in this Scope of Services.

A monthly invoice shall be submitted to the Association no later than the 5th day of each month. After review and approval, the entire amount due each month shall be paid (30) thirty days after submission of monthly invoice.

Northern Arizona Municipal Water Users Association

TECHNICAL ADVISORY REPORT FOR ACTION ITEMS

TO: NAMWUA Board of Directors

BY: Ron Doba, Program Manager

DATE: 1/10/2022

MEETING DATE: 1/21/2022

TITLE:
CONSIDERATION OF NAMWUA BYLAWS AMENDMENTS

RECOMMENDED ACTION:
THE TECHNICAL ADVISORY COMMITTEE RECOMMENDS THE BOARD APPROVE THE NAMWUA BYLAWS AMENDMENTS DATED JANUARY 21, 2022

Action Summary:
This action will amend the current NAMWUA bylaws to address the situation when a private water company and the city or town they serve are both members and one withdraws their membership. The remaining member will not be affected.

Discussion:
Currently both AZ Water Company and the City of Sedona are voting NAMWUA members. There was concern by the TAC how one or the other would be affected If one decides to withdraw their membership. AZ Water Company serves water to Sedona.

Key Considerations:
The membership of both Sedona and AZ Water Company has not resulted in voting issues.

Financial Implications:
None.

Options and Alternatives:
Approve the bylaws amendments
Choose not to approve the bylaws amendments.

Attachments /Exhibits:
Draft bylaws amendments dated January 21, 2022

NAMWUA Members:

Chino Valley	______________________	Prescott	______________________
Clarkdale	______________________	Prescott Valley	______________________
Cottonwood	______________________	Sedona	______________________
Flagstaff	______________________	AZ Water Co.	______________________

Date of Board of Directors Approval _______________

BY-LAWS
OF
NORTHERN MUNICIPAL WATER USERS ASSOCIATION

Passed and Adopted on October 15, 2004. Chairman Joseph C. Donaldson presiding.
Amended on October 20, 2006. Chairman Michael R. Flannery presiding.
Amended on January 16, 2009. Chairman Michael R. Flannery presiding.
Amended on January 15, 2010. Chairman Michael R. Flannery presiding.
Amended on July 20, 2018. Chairperson Lora Lee Nye presiding.
Amended on January 21, 2022. Chairman Steve Blair presiding.

ARTICLE I
STATEMENT OF PRINCIPLES AND POLICIES

Section I.1

The Northern Arizona Municipal Water Users Association (NAMWUA) is a voluntary association of Arizona cities, towns and private water companies having common interests and concerns in the areas of water resource policy, planning, development and management. The underlying concept of the Association is that cities and towns, which are the unit of government closest to the people, and private water companies serving the majority of customers in member cities and towns should exercise the basic initiative and leadership in the area of water resource policy, planning, development and management and that NAMWUA members should have the primary responsibility for dealing with those water resource policies, plans and problems which require action on a regional or area wide basis.

Within this concept, the Association acts: 1) to provide a forum for discussion, analysis and input into the development of Federal, State and regional water resource policies and planning which are of interest or concern to the Association's members; 2) to insure through communication, coordination and cooperation among the Association's membership, the development of effective regional water resource policies and planning; and 3) to assist the NAMWUA members in attaining the highest degree of intergovernmental cooperation possible in order to plan and prepare for the rational and efficient development and use of water resources within the State in promoting the orderly growth and development of the Association's member cities and towns.

The Association is not, nor is it intended to be, a substitute for the members in the operation of municipal or private water or wastewater facilities. It is, however, an association through which the individual members can work effectively and cooperatively to position members in the forefront of water resource policy development and planning in the State of Arizona.

Section I.2

The area of concern for the Association is defined as Northern Arizona communities and counties in Coconino, Gila and Yavapai Counties.

Section I.3

Constructive and workable policies and programs for meeting area-wide water resource problems of local government will be most effectively and expeditiously developed by regular meetings of members in an area-wide voluntary and cooperative association dedicated to the solution of these problems.

Section I.4

Nothing contained in these By-Laws shall authorize the Association to become involved in matters which are essentially within the jurisdiction of any one (1) member without its consent.

Section I.5

The Association is not, nor is it intended to be, a substitute for local government. It is, however, an organization through which individual members can work on regional water resource problems and coordinate their efforts.

Section I.6

This article shall not authorize the Association to become involved in the direct operation of water or wastewater facilities.

ARTICLE II

DEFINITIONS

Section II.1

Association. Association, as used in these By-Laws, means the Northern Arizona Municipal Water Users Association, a voluntary association of Arizona cities and towns and private water companies serving the majority of customers in member cities and towns in Northern Arizona.

Section II.2

Board of Directors. Board of Directors, as used in these By-Laws, means the Chairman, Vice-Chairman, and Secretary-Treasurer of the Association and the designated Board member (or their designated alternate) of each other voting member.

Section II.3

Technical Advisory Committee. Technical Advisory Committee, as used in these By-Laws, means the eligible member technical staff, Public Works Director or equivalent of incorporated municipalities which do or do not have the Council-Manager form of government.

Section II.4

Standing and Special Committees. Standing Committee, as used in these By-Laws, means the permanent committee(s) formed by the Board of Directors. Special committee, as used in these By-Laws, means the committee(s) formed by the Board of Directors on a temporary basis for the completion of studies and projects.

Section II.5

Designated Alternates

a. A designated alternate need not provide written authorization to participate and vote in any meeting. Provided, however, that if challenged at that meeting (or prior to approval of that meeting's minutes) written ratification of such person's authorization to act as the designated alternate of a member shall be filed with the executive director within 5 working days of the challenge.

ARTICLE III

MEMBERSHIP

The membership of this Association shall be the cities and towns meeting the eligibility requirements contained in this article and private water companies serving the majority of customers in member cities and towns which have been admitted to membership by approval of the Board of Directors. Membership shall consist of voting and non-voting members. Members shall participate as provided herein.

Section III.1

Eligibility of Voting Membership. An entity shall not be eligible to be a voting member of the Association unless such entity meets all of the following requirements:

a. The city or town is located within Northern Arizona in Coconino, Gila or Yavapai County.

b. The private water company serves a city or town that is a member of the Association

c. All voting members agree to participate financially in Association expenses incurred as a result of a majority vote of the Board of Directors.

d. A city or town and a private water company that serves the city or town may both be voting members upon approval by the Board of Directors.

~~c.~~e. Withdrawal of membership by a city or town served by a private water company, when both the city or town and the private water company are approved members, shall not affect the membership status of the other entity, regardless of whether the city or town or private water company withdraws its membership.

Eligibility of Non-Voting Membership. An entity shall not be eligible to be a non-voting member of the Association unless such entity meets all of the following requirements:

a. The city or town is located within Northern Arizona in Coconino, Gila or Yavapai County.

b. The private water company serves a city or town that is a member of the Association.

Section III.2

Applications for Voting Membership. Any city or town or private water company serving the majority of customers in a member city or town, meeting the requirements for voting membership may be nominated for membership by one or more voting members of the Association. Voting membership shall include a seat on the Board of Directors and the Technical Advisory Committee. Such prospective members shall become members of the Association upon unanimous approval of the full Board of Directors.

Applications for Non-Voting Membership. Any city or town or private water company serving the majority of customers in a member city or town, meeting the requirements for non-voting membership may be nominated for membership by one or more voting members of the Association. Non-voting membership shall include a participatory, non-voting seat on the Technical Advisory Committee and an ex officio, non-voting seat on the Board of Directors. Such prospective members shall become members of the Association upon unanimous approval of the full Board of Directors.

ARTICLE IV

MEETINGS OF MEMBERS

Section IV.1

The annual meeting of the members of the Association shall be held in July of each year in a member community at a place and time to be designated in the notice of the meeting.

Section IV.2

At the annual meeting, the voting members shall elect the following officers of the Association, Chairman, Vice-Chairman, and Secretary-Treasurer, each of whom shall, when elected, also serve as a member of the Board of Directors of the Association. Each other voting member shall serve as a member of the Board of Directors.

Section IV.3

Meetings of the members may be held in any member community with the time, date, and location of said meetings to be determined by the Board of Directors. Members of the Board may attend, participate, vote at meetings telephonically or electronically and shall be included as part of the quorum.

Section IV.4

The calls and notices of all meetings of the members shall conform to the provisions of Article VI of these By-Laws.

Section IV.5

The Chairman, and in the Chairman's absence, the Vice-Chairman, shall preside at such meetings. In the absence of the Chairman and Vice-Chairman, the voting members shall select a voting member to preside at such meetings.

Section IV.6

Each voting member of the Association is entitled to one (1) vote on all matters coming before any meeting of its membership, and each member of the Association, may be represented by designated alternate of such member. Action of members shall be by majority vote of voting members voting on matters coming before the meeting of the members.

Section IV.7

A simple majority in number of the total voting membership, either in person or by designated alternate, shall constitute a quorum for all purposes. In the absence of a quorum, the Chairman of the meeting may adjourn the meeting from time to time without notice, other than by announcement at the meeting, until voting members sufficient to constitute a quorum shall attend, either in person, or by designated alternate or, in the alternative, may set a date and time for the next meeting which time shall be at least 72 hours later unless an actual emergency occurs necessitating an earlier meeting date. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section IV.8

All informalities and/or irregularities in the manner of voting, form of credentials, eligibility of designated alternates, or method of ascertaining those present shall be deemed waived if no objection is made prior to the approval of the minutes of the meeting in question.

Section IV.9

The Board of Directors may adopt rules governing the procedures of the meetings of the members.

ARTICLE V

BOARD OF DIRECTORS

Section V.1

The business and affairs of the Association which arise between annual meetings of the membership shall be conducted by the Board of Directors at properly called meetings.

Section V.2

If the office of Chairman, Vice-Chairman, or Secretary-Treasurer becomes vacant, the remaining members of the Board of Directors, by affirmative vote of the majority thereof, shall elect a successor to hold office for the unexpired term of the officer whose position shall be vacant.

Section V.3

A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section V.4

Each voting member is entitled to one (1) vote on all matters coming before any meeting of the Board of Directors, and each director may be represented in vote by designated alternate. Action of the Board of Directors shall be by majority vote of Directors voting on matters coming before the meeting of the Board.

Section V.5

The powers and functions of the Board of Directors subject to the limitations hereinafter stated, shall include, but not be limited to, the following:

a. The formulation of policy decisions and determination of policy matters for the Association.
b. The initiation and/or request for studies to be undertaken either by inter-agency agreement, contract, or otherwise as they may deem appropriate.
c. The appointment of such standing and special committees deemed necessary to achieve the purposes of the Association.
d. The hiring of an executive director for the Association.

Each Director shall have the right at any meeting of the Board of Directors to propose a subject for study by the Association or to request review of any action taken by the Technical Advisory Committee (TAC) during the interval between meetings of the Board of Directors. The matter shall be noticed for action at a future meeting of the Board of Directors.

Section V.6

No person shall have the authority to make or execute binding contracts on behalf of the Association without approval of the Board of Directors acting at a properly called meeting.

Section V.7

The Chairman shall cause minutes to be taken at all meetings of the Board of Directors and copies of said minutes shall be furnished to the members after approval by the Board of Directors.

ARTICLE VI

NOTIFICATION REQUIREMENTS FOR MEETINGS OF MEMBERS AND MEETINGS OF THE BOARD OF DIRECTORS

At least five (5) days before the day of any meeting of the members, the Chairman, (in the Chairman's absence by the Vice-Chairman) or two of the Board of Directors, shall cause a written notice setting forth the time, place, and general purpose of the meeting to be delivered to each member of record. Provided, however, that such notice may be communicated to the member by telephone when a meeting is called by the chairman pursuant to Section IV.7 due to the lack of a quorum.

ARTICLE VII

OFFICERS

Section VII.1

The Chairman shall be the chief executive of the Association and shall exercise general supervision over its affairs. The Chairman shall sign, on behalf of the Association, all documents requiring the signature of the Association and shall do and perform all other acts and things which the Board of Directors may require of the Chairman. The Chairman shall serve without compensation.

Section VII.2

In the absence of the Chairman, or in the Chairman's inability to act or serve, the Vice-Chairman shall have the powers of the Chairman. The Vice-Chairman shall perform such further duties as the Board of Directors may delegate to the Vice-Chairman. This Vice-Chairman shall serve without compensation.

Section VII.3

The Secretary-Treasurer shall have the custody and control of the funds of the Association, subject to the acts of the Boards of Directors, and shall report the state of the finance of the Association at each annual meeting of the members and at any special meeting of the members when requested by the Chairman to do so. The Secretary-Treasurer shall perform such other services as the Board of Directors may require of the Secretary-Treasurer and shall serve without compensation.

ARTICLE VIII

TECHNICAL ADVISORY COMMITTEE

Section VIII.1

There is established a Technical Advisory Committee of the Association which shall consist of the appropriate professional staff where responsibilities include water production, utilities or public works of municipalities or private water companies.

Section VIII.2

The Technical Advisory Committee (TAC) shall be responsible for the functions as hereinafter set forth:

a. There shall be selected a Chairman and Vice-Chairman from the members of the Technical Advisory Committee (TAC). Said selection shall occur at the first meeting in July of each year. In the event a vacancy occurs in the chairmanship, then the Vice-Chairman shall become the Chairman for the unexpired term and a Vice-Chairman shall be elected to complete the remainder of the Vice-Chairman's term.

b. The Technical Advisory Committee (TAC) shall have the authority to recommend to the Board of Directors, committees and personnel to study specific problems, programs, or other matters which the Management Committee or Board of Directors have approved for study.
c. The Technical Advisory Committee (TAC) shall act as the coordinating agency for all other committees and subsidiary groups.
d. The Technical Advisory Committee (TAC) shall keep the Board of Directors informed on any matter or problem involving intergovernmental cooperation.
e. The Technical Advisory Committee (TAC) shall perform any other functions assigned by the Board of Directors.

ARTICLE IX

STANDING AND SPECIAL COMMITTEES

Section IX.1

Standing and Special Committees shall be created by the Board of Directors from time to time, as the Board of Directors may deem appropriate.

Section IX.2

The Board of Directors shall authorize and define the powers and duties of all committees of the Board.

Section IX.3

The Board of Directors shall designate a Chairman and Vice-Chairman of the Standing and Special Committees. Vacancies occurring in these positions shall be filled by the Board of Directors.

Section IX.4

Membership on Standing and Special Committees shall be determined by the Board of Directors. There shall be no minimum or maximum number of individuals on any Standing or Special Committee. Nothing in these By-Laws shall be construed to limit membership on these aforesaid committees exclusively to officials serving political subdivisions of the State. The Board of Directors, in its discretion, may appoint any individual it deems qualified to serve on a Standing or Special Committee.

ARTICLE X

MEETINGS OF COMMITTEES – NOTIFICATION REQUIREMENTS

Section X.1

The Technical Advisory Committee shall meet on the call of its Chairman (in the Chairman's absence by the Vice-Chairman), or two of the members, with the date, time, and place to be fixed by the Chairman. At least five (5) days prior, notice shall be given to committee members.

Section X.2

Standing and Special Committees shall meet on the call of their Chairman (in the Chairman's absence by the Vice-Chairman), or two of the members, with notification to the Committee members and to the Executive Director five (5) days prior to meeting of said Standing or Special Committees.

ARTICLE XI

WITHDRAWAL

Section XI.1

Any member may, at any time, withdraw from the Association, provided that written notification thereof is forwarded to the Chairman and the said withdrawal shall be effective upon receipt by the Chairman.

Section XI.2

Voluntary withdrawal does not operate to affect a waiver of obligations previously incurred by such withdrawing member during membership.

ARTICLE XII

ADMINISTRATION OF INTERGOVERNMENTAL AGREEMENTS

Section XII.1

The Board of Directors may authorize the Association to enter into agreements with members and others to provide technical support, administrative services, policy guidance and all ancillary support services necessary to implement agreements between such members. In the performance of such agreements, the Board of Directors may act for the Association, may direct the Technical Advisory Committee (TAC) to perform duties under the agreement and may create standing or special committees to carry out the Association's responsibilities.

ARTICLE XIII

AMENDMENTS

These By-Laws may be amended at any meeting of the Board of Directors by a two-thirds vote of all voting members provided written notice of the proposed amendment has been given not less than fifteen (15) days prior to the meeting at which it is to be voted upon. If two-thirds of all voting members are not present at such meeting then no action to amend the By-Laws can be taken.

ARTICLE XIV

EXECUTIVE SESSIONS

Section XIV.1

The Board of Directors, the Technical Advisory Committee and all standing and special committees may exclude persons, including members, from Executive Session meetings when such exclusion is appropriate.

Section XVI.2

At any Executive Session meeting of the Board of Directors, the Technical Advisory Committee and all standing and special committees, any member who has taken a legal position that conflicts with the legal position the Association has taken or been authorized to take on a matter scheduled to be discussed in the Executive Session meeting shall disclose this fact and, unless requested to remain by the Board or committee, leave the Executive Session meeting for the duration of the discussion of this matter. “Legal position” means an appearance of record in a legal proceeding before a court or administrative agency.

ARTICLE XX

CONFLICTS

If a member intends to take a position or an action on a matter that conflicts with the position or action the Association has taken or been authorized to take on that matter, the member shall give the other members and the Chairman of the Association as much advance notice of the proposed position or action as is reasonably possible under the circumstances. The mere existence of a conflict, however, should not discourage a member from participation in Association activities including attempts to gain Association approval of such member’s position or action.

PASSED AND AMENDED at a meeting of the Board of Directors of the NORTHERN ARIZONA MUNICIPAL WATER USERS ASSOCIATION held on this 20th day of July, 2018.

Chair Steve Blair~~Lora Lee Nye~~

NAMWUA 2022 MEETING SCHEDULE

JANUARY 21st – 9:30 TAC meeting, 10:00 Board meeting – Virtual (Prescott Valley)

FEBRUARY 18th – 10:00 TAC meeting – Virtual (Prescott)

MARCH 18th – 10:00 TAC meeting – Virtual (Sedona)

APRIL 15th – 9:30 TAC meeting, 10:00 Board meeting – Chino Valley

MAY 20th – 10:00 TAC meeting – Virtual (AZ Water Co.)

JUNE 17th - 10:00 TAC meeting – Virtual (Cottonwood)

JULY 15th - 9:30 TAC meeting, 10:00 Board meeting – Flagstaff

AUGUST 19th - 10:00 TAC meeting – Virtual (Clarkdale)

SEPTEMBER 16th - 10:00 TAC meeting – Virtual (Prescott Valley)

OCTOBER 21st - 9:30 TAC meeting, 10:00 Board meeting – Prescott

NOVEMBER 18th - 10:00 TAC meeting – Virtual (Sedona)

DECEMBER 16th - 10:00 TAC meeting – Virtual (Chino Valley)

NAMWUA
Summary Balance Sheet
As of December 31, 2021

	Dec 31, 21
ASSETS	
Current Assets	
Checking/Savings	32,183.23
Total Current Assets	32,183.23
TOTAL ASSETS	**32,183.23**
LIABILITIES & EQUITY	
Equity	32,183.23
TOTAL LIABILITIES & EQUITY	**32,183.23**

7:28 AM
01/10/22
Cash Basis

NAMWUA
Profit & Loss Detail
December 2021

Type	Date	Num	Name	Memo	Clr	Split	Original Amount	Paid Amount	Balance
Ordinary Income/Expense									
Income									
Investments									
Interest-Savings, Short-term CD									
Deposit	12/31/2021	dep	Wells Fargo	income		Wells Fargo - ...	0.27	0.27	0.27
Total Interest-Savings, Short-term CD								0.27	0.27
Total Investments								0.27	0.27
Total Income								0.27	0.27
Expense									
Contract Services									
Outside Contract Services									
Bill	12/02/2021		Ron Doba Managem...	november		Accounts Paya...	2,337.20	2,337.20	2,337.20
Total Outside Contract Services								2,337.20	2,337.20
Total Contract Services								2,337.20	2,337.20
Other Types of Expenses									
Other Costs									
Check	12/14/2021	Trans	CPWP	1/2 Adobe sof...		Wells Fargo C...	97.18	97.18	97.18
Total Other Costs								97.18	97.18
Total Other Types of Expenses								97.18	97.18
Total Expense								2,434.38	2,434.38
Net Ordinary Income								-2,434.11	-2,434.11
Net Income								**-2,434.11**	**-2,434.11**

4.D

CITY OF PRESCOTT

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: **REGULAR SUBCOMMITTEE MEETING** **02- 1-22**

DEPARTMENT: **Public Works**

AGENDA ITEM: Focus Topic - Introduction to Upper Verde River Watershed Protection Coalition (UVWPC), Staff Update From the January 26, 2022 Executive Meeting.

ITEM SUMMARY

Review January 26, 2022 Executive Board meeting agenda.

BACKGROUND

Upper Verde River Watershed Protection Coalition

a. Formation: Intergovernmental Agreement executed June 8, 2006

b. Purpose: Committed to protection of the Upper Verde River base flow while balancing the reasonable water needs of residents who live and business that operate within the watershed boundaries

c. Structure: Executive Board and Technical Advisory Committee (TAC)

d. Meetings: Board convenes quarterly (on the 4th Wednesday of Jan, Apr, July, Oct), and TAC convenes monthly (on the 1st Wednesday)

e. City representatives: Former Councilman Blair with Councilman Montoya as alternate

f. City's monetary contribution: FY22 = $60,000

g. Current Executive Board Members: April Hepperle, Chair (Councilwoman–Prescott Valley); Steve Blair, Vice-Chair (Prescott); Robert Ogo (President–YPIT); Jack Miller (Mayor–Chino Valley); Craig Brown (Supervisor–Yavapai County District 4)

h. Technical Advisory Committee – John Munderloh, Chair (Prescott Valley), Steve Sullivan (Chino Valley), Leslie Graser (Prescott), Peter Bourgois (YPIT), Tony Angueira (YC)

i. Coordinator: John Munderloh, Water Resource Manager - Prescott Valley

j. Website: http://www.yavapaiwatersmart.org/

FINANCIAL IMPACT

Fiscal Year 2022 membership dues totaled $60,000.

Recommended Action: **This item is for discussion only. No formal action will be taken.**

ATTACHMENTS

1. UVRWPC Board Packet 20220126.pdf

UPPER VERDE RIVER WATERSHED PROTECTION COALITION

NOTICE OF PUBLIC MEETING AND AGENDA

UPPER VERDE RIVER WATERSHED PROTECTION COALITION
BOARD MEETING

Wednesday, January 26 – 2:00 PM

Virtual at: https://global.gotomeeting.com/join/845352957

You can also dial in using your phone: +1 (571) 317-3122

Access Code: 845-352-957

ITEM NO 1. Call to Public (Chairman)

Consideration and discussion of general unscheduled comments from the public: Those wishing to address the Coalition need not request permission in advance. Any such remarks shall be addressed to the Coalition as a whole and not to any member thereof. Such remarks shall be limited to three (3) minutes unless additional time is granted by the Chair. At the conclusion of the unscheduled comments, individual members of the Coalition may respond to the item addressed at the discretion of the Chair, or they may ask Staff to review the matter or ask that the matter be placed on a future agenda.

ITEM NO 2. Welcome, Introductions and Opening Comments (Chair)

ITEM NO 3. Discussion & Possible Action – Approval of Board Meeting Minutes of October 27, 2021 (Chairman)

ITEM NO 4. Discussion & Possible Action – Fiscal Year 22/23 Dues and Budget (Munderloh, Reifsnyder)

ITEM NO 5. Discussion & Possible Action – Joint Board and TAC SWOT Analysis (Strengths, Weaknesses Opportunities and Threats)

ITEM NO 6. Presentation, Discussion & Possible Action – Stormwater Management Planning Approach Update

ITEM NO 7. Discussion and Possible Action – Grant Projects

- **a. ADWR WMAP Rainwater Harvest/Recharge Grant**
  - **i. Territorial School Site**
  - **ii. Chino Valley Library**
  - **iii. Prescott Rodeo Grounds**
- **b. USDA Grant Agreement**
- **c. Juniper Wattles Project Update**
- **d. Other Grant Project Updates**

ITEM NO 8. Discussion - Board Communication (Board Members)

ITEM NO 9. Next Meeting Day/Time (April 27, 2022) – Location (?) / Agenda Items (Chairman)

ITEM NO 10. Adjourn Meeting

UPPER VERDE RIVER WATERSHED
PROTECTION COALITION

UVRWPC Budget Projection	
for FY 21/22 (July 1, 2022 through June 30, 2023)	
Projected Account Balance w/ Increased Dues	
Dues	
City of Prescott Dues	$ 60,000
Town of Prescott Valley Dues	$ 65,000
Yavapai Prescott Indian Tribe Dues	$500
Town of Chino Valley Dues	$ 17,000
Yavapai County Grant Match	$ 60,000
Total Projected Income FY 22/23	**$202,500**
Estimated Committed & Projected Expenses (FY 22/23)	
Grant Match (Direct and In-kind)	$ 75,000
Water Smart Outreach (Web, RW Harvesting, eWorkbook)	$ 30,000
Publication - Communications (Radio)	$ 3,600
Stakeholder & Public Relations (Newsletter, Press Release, Partners)	$ 30,000
Grants Pursuits/Project Management	$ 50,000
Various Expenses (Conservation programs, etc.)	$ 10,000
Miscellaneous tasks	$ 2,500
Total Expenses	***$201,100***
Remaining Balance	***$1,400***

MINUTES OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION BOARD HELD ON October 27, 2021 VIA WEBINAR

Chairman Nye called the meeting to order at 2:00 p.m.

Members Present:

Board Chairman Lora Lee Nye, Chairman, Prescott Valley
Jerry Brown, Tribal General Manager, YPIT, sitting for President Robert Ogo, Yavapai Prescott Indian Tribe President
Craig Brown, Yavapai County Board of Supervisors, District 4,
April Hepperle, Alternate Prescott Valley Town Council

TAC Members Present: Tony Angueira, Yavapai County Flood Control District; Peter Bourgois, Yavapai Prescott Indian Tribe, Leslie Graser, sitting in for Prescott representative Steve Blair; John Munderloh, Town of Prescott Valley

Others Present:
Ginger Johnson, Custom Training Solutions AZ
Kim Schonek, The Nature Conservancy
Dirk Stringham, CWAG
Melody Reifsnyder, Sage Consulting
Roger Kinsinger, Prescott Valley Town Council
John Sterling, Yavapai Prescott Indian Tribe
Lesli Hoy, CWAG
Kay Sydow, City of Prescott
Diana Rios, Yavapai Prescott Indian Tribe
Matt Killeen, City of Prescott
Patrick Browne, Biocarbon Technologies

ITEM NO 1. Call to Public

Chairman Nye called for public comments-there were none.

ITEM NO. 2. Welcome and Introductions (Chairman)

Chairman Nye acknowledged Board Members, guests and staff listed above.

ITEM NO 3. Discussion & Possible Action – Approval of Board Meeting Minutes – July 28, 2021

Chairman Nye called for questions and comments regarding the minutes from the July 28, 2021 meeting and called for a motion and second to approve; **so moved by Craig Brown, seconded by Jerry Brown, minutes approved.** Craig Brown asked for clarification on who the official representative was for the Yavapai Prescott Indian Tribe. That individual is Jerry Brown representing YPIT President Robert Ogo.

ITEM NO. 4. Recognition of Chairman Lora Lee Nye-John Munderloh

Munderloh recognized Chairman Nye for her almost 10 years of service to the coalition. Members expressed their gratitude for her years of service. Chairman Nye was presented with an arrangement of flowers and a book, second in a series on the oral histories of Yavapai County.

ITEM NO. 5 Election of new Chair and Vice Chair

Chairman Nye informed the members that the Town of Prescott Valley has selected her replacement to the board to be April Hepperle. Chairman Nye asked if there were members interested in serving as Chair or Vice Chair for the coalition. Chairman Nye mentioned that the Town of Prescott Valley has been operating as the fiscal agent for the coalition and it has served her well as chairman. Craig Brown mentioned that Mayor Elect Goode for the city of Prescott, indicated that he will ask Steve Blair to continue to serve on the board. April Hepperle indicated she is willing and able to take on the role of Chair for the board. Leslie Graser for the City of Prescott confirmed that Steve Blair is available to serve in whatever capacity is needed.

Chairman Nye made a **motion to elect April Hepperle as Chairman to the board, seconded by Jerry Brown. A vote for April Hepperle as Chairman carried unanimously.** Chairman Nye asked for a motion to elect Steve Blair as Vice Chair, **so moved Leslie Graser, seconded by Craig Brown. A vote for Steve Blair as Vice Chair carried unanimously.**

ITEM NO. 6 Presentation- Kim Schonek, The Nature Conservancy

Kim stated she has been with the Nature Conservancy for 13 years. She presented a slide show and discussed work being done with the Verde Watershed. The drivers of the conservation efforts currently are drought, impacts of ground water pumping, increasing populations, lack of adjudication. Kim gave out copies of the Verde River Watershed report card for 2020. Project work in the Verde Valley with agricultural projects include piping, on farm efficiency, infrastructure, and grant management. The largest project this year is in Oak Creek, approximately a million in funding for a piping project. Other projects include Market Intervention-barley crops rotation with alfalfa and corn, Camp Verde malt house now producing 100 acres will increase to 700 acres. Community projects, Camp Verde, Cottonwood, Sedona, Clarkdale, Chino Valley, support for reuse projects and recharge. New project areas include stormwater management, effluent management, and water planning. Kim stated she participates with a number of informal groups for discussions on water challenges. April Hepperle asked if Kim has been working with private landowners, Kim said they are partnering with Central Arizona Land Trust, the next 3-5 months should provide an idea on the level of interest for support.

ITEM NO. 7 Presentation-Patrick Browne, Biocarbon Technologies

Patrick gave a background on Biocarbon Technology and the multiple markets for biochar. A slide show presentation showing the various uses for biochar and the ISO certification they meet. They currently produce approximately 7 tons a day with 20 kilns running. Current analysis in the Prescott Valley area with juniper and pine indicate that pine is around 87% carbon. The operations goal is to stay at 80% or higher. Multiple uses include: Agriculture, Mining, Livestock feed, Golf Course remediation, Textiles, Custom Blending, Pharmaceutical, Power Plant Stack Injecting. Cost management is an ongoing struggle. Lora Lee asked Patrick if he had an estimated timeframe of when he might be in Yavapai County. Patrick indicated there might be some news after the first of the new year.

<u>ITEM NO. 8 Presentation-John Munderloh, Governor's Water Augmentation, Innovation, and Conservation Council Update</u>

John gave a powerpoint presentation on the background of the Governor's Water Augmentation, Innovation and Conservation Council. This group has been meeting for several years and one of the sub-committees has been looking at exempt well issues across the state. That group has identified the issues are concentrated in the Prescott AMA. Ron Doba from the Governor's council and the Northern Arizona Municipal Water Users Association (NAMWUA) formed a small working group to look at exempt wells. John emphasized this presentation is NOT ABOUT EXEMPT WELLS, but rather about a fresh approach that does not propose to regulate exempt wells. John emphatically reiterated this is <u>not about regulating existing wells</u>. The goal is to unify our communities with a water management approach. Poor development decisions in the past have put a burden on our communities. The key is to prevent poor future outcomes, recognizing exempt wells and municipal water systems both serve members in our communities. John stated that there is a myth being propagated that municipal systems are drying up exempt wells and "nothing can be further from the truth." Information was given on ASRS 45-98 and AAC R12-105-1302 state the director(of ADWR) shall <u>not approve an application</u>…to construct a new well … if the director determines that the withdrawals from the proposed well or wells will cause <u>unreasonably increasing damage</u> to surrounding land or other water users … , Assured Water Supply Program (AWS), there is an impact from Lot Splits with an additional 4,500 ground water lots established since the 1999 law.

Recommendations going to the committee for public comment and review are that lot splits and dry lot subdivisions should follow the same AWS rules as other subdivisions and exemption from well spacing requirements if exempt well owner has ability to connect to existing water service provider but chooses not to.

Lora Lee commented she would like to have the following in the minutes, "My son lived in Chino for a very long time, it was all wells, beside him they were acre lots, his well ran dry. Did he go blame the neighbors? Did he go blame Chino officials? No. Well that's happening everywhere now. They're placing blame in the wrong places, and we have a responsibility to our current population and to future populations to protect them, against that continued to happen. Do not underestimate the damage lot splitting is doing. It's scary and my grandchildren, one of them is finishing up his medical degree and he'd love to come here and start a practice. But if we don't protect the future water now, with facts proven, he probably won't be able to do that. So it's real personal to me. So we have organizations that are not stating the facts and I ask organizations to get the facts before they make a statement."

Kim Schnoek confirmed that this is all up for public comment, and she will look into that. Kim also asked how to help to get this communication out and share this messaging. Leslie Hoy commented that nothing will be solved until all stakeholders, including municipalities, well owners, citizens groups, development interests, etc. come together and realistically look at the challenges and then look for equitable solutions. Craig Brown stated the solution lies with the legislature, "they are the only ones that can fix this, unfortunately".

ITEM NO. 9 Discussion and Possible Action- Grant Projects

a. ADWR WMAP Rainwater Harvesting/Recharge Grant

1. **Territorial School Site-Kim Schonek**
   Making progress on the project. Sourced bids for materials, the conservancy is doing a cost share with the school on any costs that will exceed the costs from the coalition, they plan on doing the work while the kids are out of school.
2. **Chino Valley Library-Steve Sullivan/John Munderloh**
   Steve Sullivan sent an email with an update to John that they are moving forward with the project site. Getting ready to start construction.
3. **Prescott Rodeo Grounds-Kay Sidow**
   Matt Killeen reported that Prescott City Council has approved a contract with Fann contracting, so they are on their way. John mentioned this project is much larger than the coalition $30,000 contract, city of Prescott has added the remaining funds for the total $96,000 project.

b. USDA Grant Agreement-Melody Reifsnyder

Melody informed the group that project priorities for the next 1-2 years include, completing the current grant funded projects, implement the NRCS-AFA, 2.7 million grant, implement the stormwater management initiative that was passed by the executive board, support development of the forest products industry, do some drought contingency planning, water conservation planning, support the state and ground water users advisory council with their goals for lot splits and dry lot subdivision, and continue and expand outreach and education.

c. Other Grant Updates

Juniper Wattles & Juniper Silt dams-Project is complete and final report and reimbursement request are being completed now.

Feasibility study for conversion facility and bio-coal test is finished and final report and reimbursement request are being submitted.

The Juniper chip wattles infused with biochar are a bit of a challenge, requesting a grant extension, everything has been affected by the pandemic and the ability to get out to the mine sites. Estimate a grant extension will be for another year.

You just heard about the Rainwater Harvesting/Recharge grant.

The NRCS-2.7-million-dollar grant is for 5 years, from the USDA Natural Resource Conservation Service to implement conservation practices that have already been tested by the coalition through demonstration practices. Juniper silt dams, juniper chip wattles, juniper chip wattles with biochar, biochar as a soil amendment, and rainwater harvesting/recharge systems, all are part of the practices that can be utilized with this grant. Negotiating the grant agreements now, implementation projected for March 2022.

Want to fund some projects on tribal land, hopeful to get that started.
The Water Conservation plan needs to be updated with a drought management strategy.

Melody continued there is interest to continue to help and support storm water products, Patrick Browne and support businesses in the watershed mentioned earlier. The synergy of businesses is big.

Gaps have been identified, interest to facilitate a statewide committee to look at procurement. Want to look at how to get biomass wattles as a priority in state contracts, discussion regarding low bid requirements with state and that obstacle. Also an interest in facilitating the establishment of an Agriculture Innovation Center, there are funding sources available from a number of sources.

ITEM NO. 10 Discussion and Possible Action- Priorities for Upcoming Year

Lora Lee noted all of the items Melody just mentioned are ambitious and recommended the board agree on priorities and make the priorities happen.

ITEM NO. 11 Discussion-Board Communication-Board Members

Craig Brown informed the group that the Board of Supervisors is going through an educational program for their new members and the P&Z Commission on water education and issues being faced in the county, to learn all the implications of the law. Trying to find a way to help people understand and again to reiterate" the answer is with the legislature". Part of the problem is to identify what needs to be done and come to agreement on that.

ITEM NO. 12 Next Meeting Day/Time January 26, 2022 – Location TBD / Agenda Items (Chairman)

No additional discussion

Adjourn Meeting
Meeting adjourned at 5 PM

4.E

COUNCIL AGENDA MEMO

MEETING TYPE/DATE: **REGULAR SUBCOMMITTEE MEETING** **02- 1-22**

DEPARTMENT: **City Clerk**

AGENDA ITEM: Discussion Regarding Water Outside City Limits and Water Service Area Boundary as it Relates to the Proposed 2022 Draft Water Policy.

ITEM SUMMARY

This item was requested by Chairperson Rusing following publication of the agenda on Thursday, January 27th.

BACKGROUND

From email to staff received after publication of original agenda on Thursday, January 27th: *"Hi! After consulting with the Mayor, I would like to add a component of the water policy draft to the agenda for this Tues. "discussion re water outside the city limits and water service area boundary." Discussion only. Thx! WIS Chair Rusing "*

FINANCIAL IMPACT

None at this time.

Recommended Action: This item is for discussion only. No formal action will be taken.