

City of Prescott

Council Subcommittee on Water Issues



June 6, 2023 | 9:30 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

AGENDA

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: [City of Prescott Public Portal](#)

Public comments for Council may be submitted through the City website: [Public Comment Form](#)

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 May 2, 2023 Meeting Minutes.

Recommended Action: MOVE to approve the May 2, 2023 minutes as presented

B. Monthly PFAS Update.

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

C. Current Residential & Non-Residential Water Budget Overview for January 1, 2023 through May 15, 2023.

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

D. Presentation and Discussion Regarding the July to December 2023 Residential & Non-Residential Water Budgets, in Accordance with the 2022 Water Management Policy, Policy No. 11.

Recommended Action: MOVE to forward the residential & non-residential water budgets for July to December 2023 to Council as recommended

- E. Discussion and Update Regarding the City's Participation in Comprehensive Agreement No.1.
- F. Discussion Regarding Proposed Water Legislation Impacting the City of Prescott & Surrounding Areas.
Recommended Action: This item is for discussion only. No formal action will be taken.

5. GENERAL ANNOUNCEMENTS FROM STAFF

6. ADJOURNMENT

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)).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 06/02/23 at 2:00 p.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.



Sarah M. Siep, City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: City Clerk
ITEM #: 4.A
SUBJECT: Approval of the May 2, 2023 Meeting Minutes.

ITEM SUMMARY

Attached for approval are the Council Subcommittee on Water Issues minutes for the May 2, 2023 meeting.

BACKGROUND

None

FINANCIAL IMPACT

None

RECOMMENDED ACTION

MOVE to approve the May 2, 2023 minutes as presented

ATTACHMENTS

1. May 2, 2023 Meeting Minutes



City of Prescott

Council Subcommittee on Water Issues

May 2, 2023 | 9:30 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

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

2. ROLL CALL

Chairperson Cathey Rusing
Member Steve Sischka
Member Montoya - Absent

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 April 4, 2023 Meeting Minutes.

MOTION BY COUNCILMAN SISCHKA TO APPROVE APRIL 4 MEETING MINUTES; SECONDED BY COUNCILMEMBER RUSING: PASSED (2 - 0)

B. Monthly PFAS Update.

Utilities Manager Steve Olfers provided a presentation to the Subcommittee regarding recent PFOS treatment operations. Staff has been working on equations for the upcoming blending plan in preparation for high demand levels as spring approaches. Chino Valley wells, number two, four, and 5, and airport wells, number two and three, have been operational and in service. All combinations of the different wells should not exceed the proposed PFAS maximum contaminant levels (MCL) or the target range for arsenic. Because the PFAS proposed rule is at four, and the city's latest readings have been in the twos and threes, the city may qualify for reduced monitoring, meaning twice per year as opposed to four times per year. That determination will be made once enough information has been gathered and sent to the Arizona Department of Environmental Quality (ADEQ) to prove that the city is within the required levels.

Chairperson Rusing asked if airport well number five would be put back into service and, if so, when.

Mr. Olfers replied that it would not be back in service until a treatment technique is determined, and he is unsure when that will be. The city has to meet

compliance regulations, and since blending with the current configuration at that site is not feasible, this is the best option.

Chairperson Rusing asked what the level of PFAS is at airport well number five.

Mr. Olfers stated that the PFOS level hovers around 12 parts per trillion (ppt), and PFOA is around 9. He added that the levels don't meet requirements even with the new health index.

Chairperson Rusing noted that samples sent in on March 25, 2023, have not returned any results and asked if that is unusual.

Mr. Olfers replied that samples were sent in early April and were shifted to the next quarter, which is good because staff needs second-quarter results. He added that a three to four-week turnaround is typical and that testing for unregulated contaminant rule (UCMR), which is all of the PFOS species, could also be a factor in the delay. This testing is a national requirement that may have all the labs busy.

Chairperson Rusing asked about UCMR.

Mr. Olfers said that UCMR is 29 different species of PFOS and lithium.

Chairperson Rusing noted that it is important for the public to know that the city is up to date on testing and is following all guidelines.

C. Current Residential & Non-Residential Water Budget Overview for January 1, 2023, through April 19, 2023.

Water Resources Manager Brian Ruiz provided a presentation to the Subcommittee regarding the current residential and non-residential water budget overview.

Residential

Between January 1 and April 19, 2023, five (5) residential projects were approved, totaling 11.93 acre-feet (AF). Three (3) projects were administratively approved, and two (2) were Council approved.

Total AF Budgeted - 25

Total AF Approved - 11.93

Total AF Remaining - 13.07

Chairperson Rusing asked if most of these were infill projects and about the water allocation to the old city hall site.

Mr. Ruiz confirmed.

Non-Residential

Between January 1 and April 19, ten (10) non-residential projects were approved, totaling 12.59 AF. Nine (9) were administratively approved, and one (1) was Council approved.

Total AF Budgeted - 25

Total AF Approved - 12.59

Total Remaining - 12.41

Projects Under Existing Contracts

Between January 1 and April 19, there were 19 projects currently under existing contracts. Seventeen (17) were single-family homes, primarily in groundwater subdivisions; however, there was one subdivision plat and one multi-family complex under existing contracts. There were 477 residential dwelling units approved under existing contracts totaling 67.13 AF, and are not included in the water budget set for this period.

Chairperson Rusing stated that she wants the public to realize these projects were approved under existing contracts.

D. Discussion & Presentation Regarding the Launch of the City's Water Conservation Website.

Mr. Ruiz provided a presentation to the Subcommittee regarding the launch of the city's conservation website. The website was created with grant assistance from the Arizona Department of Water Resources (ADWR) Water Management Assistance Program (WMAAP). The requirements for the grant are:

- A professional web designer is used
- Submission of weekly progress reports
- Submission of data collection and final report
- Submission of a final design

Information on outdoor and indoor water conservation, drought preparation, education, activities, rebates, and incentives can be found by clicking the "WAM" tile from the website's homepage.

Mr. Ruiz asked the Subcommittee for any advice or questions on the website.

Chairperson Rusing asked if a separate email address is available to the public so they don't have to go the city's website to get to the conservation website and if a link to the Citizen's Water Advocacy Group (CWAG) will be included.

Mr. Ruiz confirmed, stating that the address is <https://prescottwater.com/>.

Public Works Deputy Director Gwen Rowitsch stated that each tab links to the website and that the city website provides examples of Information available on the various websites.

Chairperson Rusing commented that the water conservation program is voluntary, and this is one way to inform the public about how to save water. She asked if information on carwashing and the city's plant palette were included and suggested adding a city composting program.

Mr. Ruiz replied that he would look into that, adding that there is a link to a

drought-tolerant plants list for this area.

E. Discussion & Presentation Regarding an Overview and Status Update on the Water Resource Management Model (WRMM).

Water Resource Project Manager Leslie Graser provided a presentation to the Subcommittee regarding an overview and status update on the water resource management model (WRMM). She stated that there needs to be alignment between the city's WRMM and the current policy. The WRMM is an Excel-based, spreadsheet-driven tool with a GIS component for data set analysis and visual presentation. The WRMM is updated annually; however, staff may begin to update bi-annually.

Forward Efforts
Alignment Needed

- 2022 policy
- General Plan update
- Long-term management plan
- Mayor Ad Hoc
- Interdepartmental Coordination

Ms. Graser stated that there are different versions of the WRMM: the water service area version, used for the Decision and Order (D&O), and other discussions regarding the service area; the General Plan version, and the D&O version used to file with ADWR. She continued with an overview of WRMM Version, June 2022, WSA 22- 046, administratively approved, consisting of 458 multi-family residential units at 63.84 acre-feet (AF).

Concerns

- WRMM did not have the 458 multi-family residential units in its planning.
- ADWR requirements for groundwater allowance increase may not be met. This area didn't have a preliminary plat in 1998
- The policy doesn't define the timeframe of an existing contract nor if other requirements need to be reviewed.

Member Sischka asked for confirmation that a portion of Prescott Lakes was not included in the WRMM.

Ms. Graser confirmed that it doesn't qualify for a groundwater allowance, so the city had not planned to serve that area.

Chairperson Rusing stated that the map shown poorly identified the area in discussion and clarified that the map shows the parcel of land on the hill below Astoria on the corner of Highway 89 and Prescott Lakes Parkway. She added that she was shocked to learn that water was approved administratively and asked how this happened.

Ms. Graser replied that this is how the 2022 policy works right now. With policy shifts through the years, these types of misunderstandings have occurred, but she believes that the Mayor's Ad Hoc Committee will address the effectiveness of the current policy.

Chairperson Rusing asked what the cap on administratively approved water is.

Ms. Graser replied that this fell under the current policy and explained that the word "existing" is being used differently now; therefore, since this has an existing contract, that is all that was considered.

Member Sischka asked for confirmation that this was part of the water allocation for the Prescott Lakes master plan and that the WRMM didn't catch it.

Ms. Graser replied that there was no legal authority to seek groundwater allowance from the state. In 1998, a preliminary plat awarded a final plat was awarded more supplies.

Ms. Graser continued with WRMM Version June 2022, WSA 22-033, located behind the Gateway Mall (Palmer Apartments), consisting of 209 multi-family (MF) units at 55.25 AF, and was Council approved.

Concerns

- The WRMM had 36 MFR anticipated
- Due to this level of demand, the 209 MF units were not recognized in the WRMM or the 2021 D&O application.

Ms. Graser provided a brief review of water rights given to the Bullwhacker Ranch, explaining that these old agreements were vague and growth was unexpected. She added that the WRMM is being updated with 2022 billing data, and although the agreement could be updated, the numbers already filed with the ADWR would be thrown off.

Chairperson Rusing commented that when the city approves water, it is with the impression that the water is available within the WRMM. It is obvious that the water was not available in this situation. She asked why the Subcommittee had not been provided this Information.

Ms. Graser replied that levels of confirmation are needed in the 2022 policy, and staff will be working on that.

Chairperson Rusing asked if the property owner knew there was a water allocation for 36 units when he purchased the land.

Ms. Graser said that the property owner could see where there were pieces of land the city would commit water to, adding that staff has to read documents, know more than .17 and .12, and know historical obligations.

Chairperson Rusing stated that she finds today's examples shocking and asked how many more parcels the WRMM has underestimated besides these two.

Ms. Graser replied that it is a work in progress by the Mayor's Ad Hoc Committee, and although there are other examples, she doesn't have a firm number.

Policy and WRMM

Ms. Graser reviewed Policies 10-15 and the related concerns:

- Policy 10 - new non-residential development projects shall return no less than 75% of the water sold as wastewater. The concerns are that the return flow analysis for D&O showed a possibility of a 70% return and a 65% was used to be conservative. The city doesn't have a way to ensure compliance with this policy's return flow requirement before or after approving water supplies.
- Policy 14 - Appeal of the 50% rule and the December 2022 clarification, which states it does not have to be subtracted. The concerns are that the volume is not deducted from the remaining supplies yet adds real demand to the WRMM, and the real demand for that parcel could be more demand than the WRMM has planned.
- Policy 15 - water supplies associated with an existing contract shall not be amended to increase the number of lots or volume used; any such proposal shall require a new WSA. The concern is how long the WRMM can absorb the increased/upsized demands.

Chairperson Rusing stated that Policy 15 is a huge loophole that needs to be closed and asked for a copy of the slides after the meeting.

Ms. Graser reiterated that there needs to be an alignment with the 2022 policy, the General Plan update, the long-term management plan, the Mayor's Ad Hoc Committee, and some interdepartmental coordination.

Member Sischka commented that Council needs a refresher on the WRMM and suggested a Study Session, especially for the new Council members. He asked if the WRMM included Big Chino Water Ranch.

Ms. Graser stated that Big Chino Water Ranch is not included in the WRMM and that a Study Session is possible, adding that resuming regular Executive Sessions to discuss water rights would be beneficial.

Member Sischka replied that he was not talking about water rights, only providing a refresher on the WRMM to Council.

Chairperson Rusing concurred and asked if Policy 15 should be brought to Council sooner rather than later.

Ms. Graser said a quarterly update from the Mayor's Ad Hoc Committee to Council is scheduled for May 9, 2023, and will include the policies discussed today.

Chairperson Rusing thanked Ms. Graser for her hard work and dedication.

Mr. Ruiz commented that the policy changes over the years have been dramatic and, as a result, staff is going through some growing pains. One of the issues is that contracts used in development agreements are not standardized. Although they most likely won't be made standard, staff needs to be aware of that so they can provide the information necessary to understand the implications. Another issue is the definitions of uses such as "committed," "projected," "future," and "existing" that need to be communicated and correctly applied to the WRMM.

5. GENERAL ANNOUNCEMENTS FROM STAFF

Mr. Olfers provided a presentation to the Subcommittee regarding the recent sanitary sewer overflow that occurred in Granite Creek Park in mid-March. Ten (10) manholes had sanitary sewer overflows (SSO), and staff has been working with ADEQ to find solutions so that this does not happen again, adding that staff has plans to upgrade the system to stay compliant. The system has recovered, and everything has been cleaned up, with all bacterial counts within the lakes and rivers back to or below normal.

Chairperson Rusing stated that she went out to the park right after the cleanup and could not tell anything ever happened, adding that this was an unprecedented event - she has seen Granite Creek crest the bridge one other time since 1986.

Mr. Olfers stated that the bacterial levels came down quickly, and because the reservoir is low contact, there were not a lot of restrictions. The event overwhelmed the city's systems, and water is still being released from Willow Lake; however, the city is well on its way to recharge goals because of the wet winter.

6. ADJOURNMENT

11:00 am

ATTEST:

Cathey Rusing, Chairperson

Jennifer Wiita, Deputy City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the

Voting Meeting of the Council Subcommittee on Appointments held on May 2, 2023. I further certify the meeting was duly called and held and that a quorum was present.

Jennifer Wiita, Deputy City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: Public Works
ITEM #: 4.B
SUBJECT: Monthly PFAS Update.

ITEM SUMMARY

Samples collected on April 11 indicate that current blending techniques are continuing to produce non-detection levels of PFAS being produced at the Chino Wellfield. The blending methodology for the Chino Wellfield has also been completed and is being used to guide our blending decisions. The Airport Wellfield is continuing to produce non-detect PFAS levels as well. Airport Well 5 is currently out-of-service. Demands continue to increase even with the recent rains. The next sampling event is scheduled for July.

PFAS continues to be at the forefront of discussions at both the State and Federal levels. All discussion has centered around commenting on the on-going proposed rules. Most utility companies and their professional associations are indicating that the proposed MCLs are too physically and financially difficult to achieve for even larger systems. Comments from AWWA and others have requested a complete reworking of the risk vs. cost study as well as many assumptions made within the proposal. Public comment closed on May 30. The final rule is expected to be published by the end of 2023.

BACKGROUND

EPDSs	PFOS 04/11/23	PFOA 04/11/23	AVG PFOS	AVG PFOA
Chino 1	<1.67	3.85	ND	3.4
Chino 2	<1.70	3.04	ND	3.2
Chino 3	OOS	OOS	ND	3.6
Chino 4	<1.67	<1.67	ND	ND
Chino 5	<1.67	3.68	ND	3.2
Airport 2	<1.72	<1.72	ND	ND
Airport 3	<1.68	2.98	ND	2.5
Airport 5	8.07	10.5	9.0	12.3
EPDS 11 (Chino Wells)	<1.68	<1.68	ND	ND

FINANCIAL IMPACT

There is no fiscal impact at this time.

RECOMMENDED ACTION

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

ATTACHMENTS

None



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: Public Works
ITEM #: 4.C
SUBJECT: Current Residential & Non-Residential Water Budget Overview for January 1, 2023 through May 15, 2023.

ITEM SUMMARY

Review and discussion regarding the current residential and non-residential water budgets, including projects that have received approval for water between January 1, 2023 and May 15, 2023.

BACKGROUND

The 2022 Water Policy, Policy 11-13, established a semi-annual water budget for residential and non-residential projects. The budget set for January 1, 2023 through June 30, 2023 for residential projects was 25 acre-ft/year and the budget set for non-residential projects was also 25 acre-ft/year.

Between January 1, 2023 and May 15, 2023, a total of 8 residential projects, totaling 14.84 acre-ft/year, were approved. Three projects exceeded the administrative approval threshold and were subsequently reviewed and approved by the Water Issues Subcommittee and City Council. The total remaining residential budget is 10.16 acre-ft/year.

Between January 1, 2023 and May 15, 2023, a total of 12 non-residential projects were approved, totaling 13.25 acre-ft/year. Of those 12 non-residential projects, 1 exceeded the administrative approval threshold and was subsequently reviewed and approved by the Water Issues Subcommittee and City Council. The total remaining non-residential budget is 11.75 acre-ft/year.

Between January 1, 2023 and May 15, 2023 a total of 24 projects were approved under existing contracts. 22 of these are new single-family homes located primarily within Groundwater Subdivisions. Additionally, there was 1 subdivision plat and 1 multifamily complex approved under existing contracts. The total number of residential dwelling units approved under existing contracts was 482, totaling 68.22 acre-ft/year. Projects under existing contract are not included in the water budget (Policy 9).

FINANCIAL IMPACT

There is no fiscal impact at this time.

RECOMMENDED ACTION

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

ATTACHMENTS

1. Approved Projects - Under Existing Contract_January1-May15_2023
2. Approved Projects_January1-May15_2023 - WORKING FILE

WATER POLICY TRACKING TABLE

APPROVED PROJECTS - UNDER EXISTING CONTRACTS

PERMIT TYPE	PERMIT NUMBER	# OF RES UNITS	AFY	APPROVAL TYPE	EXISTING ENTITLEMENT*	DATE APPROVED	DEMAND METHOD
RESIDENTIAL SINGLE FAMILY	ENG2301-003	1	0.25	N/A - Existing Contract/Agreement	Ewin Agreement	01/09/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-025	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/10/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-038	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/13/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-007	1	0.17	N/A - Existing Contract/Agreement	Enchanted Canyon	01/19/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-068	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/19/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-034	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/19/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-096	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/24/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2301-049	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	01/30/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	ENG2302-004	1	0.25	N/A - Existing Contract/Agreement	Groundwater Subdivision	02/09/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2302-030	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	02/09/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2207-149	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	02/10/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2302-130	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	03/01/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2303-044	1	0.17	N/A - Existing Contract/Agreement	Summit Pointe Estates	03/14/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2302-059	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	03/16/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2303-132	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	04/05/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2303-070	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	04/06/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2304-014	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	04/06/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	ENG2304-008	1	0.25	N/A - Existing Contract/Agreement	CHINO MEADOWS	04/18/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2304-072	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	04/20/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	B2304-082	1	0.17	N/A - Existing Contract/Agreement	Groundwater Subdivision	04/25/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	ENG2305-010	1	0.25	N/A - Existing Contract/Agreement	CHINO MEADOWS	05/10/2023	WRMM Multiplier
RESIDENTIAL SINGLE FAMILY	ENG2305-004	1	0.25	N/A - Existing Contract/Agreement	MOUNTAIN CLUB	05/10/2023	WRMM Multiplier
RESIDENTIAL MULTI FAMILY	WSA22-046	458	63.84	N/A - Existing Contract/Agreement	Prescott Lakes	01/23/2023	WRMM Multiplier
RESIDENTIAL MULTI FAMILY	B2207-012	2	0.24	N/A - Existing Contract/Agreement	Groundwater Subdivision	03/23/2023	WRMM Multiplier

	Number of Projects	Res Units	AF
TOTAL RESIDENTIAL	24	482	68.22
TOTAL COMMERCIAL	0	-	0.00

***Existing Entitlement for water can be in the following forms:**

Groundwater Subdivision - Committed demand to platted areas as of 1998

Contract - Recorded agreement with the City for an allocated amount of water for a project or project area

This water does not count toward the amount of water taken out of each budget cycle as it was previously accounted for under contract.

WATER POLICY TRACKING TABLE
APPROVED PROJECTS

	RESIDENTIAL PROJECTS					
	PERMIT NUMBER	PROJECT TYPE	DESCRIPTION	AF	DATE APPROVED	APPROVAL TYPE
1	B2210-114	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	1/23/2023	ADMIN - Single Family Residential
2	WSA23-012	MULTI FAMILY	8-UNIT COMPLEX IN CITY LIMITS	0.96	3/13/2023	ADMIN - Multi Family
3	WSA22-048	MULTI FAMILY	SUNSET APARTMENTS	4.35	3/14/2023	WIS/CITY COUNCIL
4	WSA23-006	MULTI FAMILY	PRESCOTT COMMONS	6.28	3/14/2023	WIS/CITY COUNCIL
5	WSA23-019	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	4/6/2023	ADMIN - Single Family Residential
6	WSA23-021	MULTI FAMILY	NEW MULTI-FAMILY	0.36	4/7/2023	ADMIN - MULTI FAMILY
7	WSA23-005	MULTI FAMILY	VALLEY ST APARTMENTS	1.66	4/25/2023	WIS/CITY COUNCIL
8	WSA23-025	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	5/9/2023	ADMIN - Single Family Residential
9	WSA23-027	MULTI FAMILY	NEW MULTI-FAMILY	0.72	5/15/2023	ADMIN - Multi Family

TOTAL APPROVED	14.84
TOTAL BUDGETED	25.00
TOTAL REMAINING	10.16

Please see Page 2 for Non-Residential Projects

WATER POLICY TRACKING TABLE
APPROVED PROJECTS

	NON-RESIDENTIAL PROJECTS					
	PERMIT NUMBER	PROJECT TYPE	DESCRIPTION	AF	DATE APPROVED	APPROVAL TYPE
1	B2212-085	NON-RESIDENTIAL	NEW OFFICE BUILDING	0.06	1/6/2023	ADMIN - Commercial Under 1 AFY
2	B2302-035	NON-RESIDENTIAL	REMODEL - BAR/RESTAURANT	0.27	2/24/2023	ADMIN - Commercial Under 1 AFY
3	WSA23-008	NON-RESIDENTIAL	REMODEL - MEETING SPACE	0.62	2/24/2023	ADMIN - Commercial Under 1 AFY
4	WSA23-003	NON-RESIDENTIAL	REMODEL - INPATIENT FACILITY	0.32	2/28/2023	ADMIN - Commercial Under 1 AFY
5	WSA23-009	NON-RESIDENTIAL	REMODEL - MEETING SPACE	0.04	3/13/2023	ADMIN - Commercial Under 1 AFY
6	WSA23-010	NON-RESIDENTIAL	REMODEL - RETAIL STORE	0.07	3/13/2023	ADMIN - Commercial Under 1 AFY
7	WSA23-011	NON-RESIDENTIAL	REMODEL - COFFEE SHOP	0.09	3/13/2023	ADMIN - Commercial Under 1 AFY
8	WSA23-013	NON-RESIDENTIAL	NEW RETAIL	0.04	3/16/2023	ADMIN - Commercial Under 1 AFY
9	WSA23-006	NON-RESIDENTIAL	PRESCOTT COMMONS	10.94	3/14/2023	WIS/CITY COUNCIL
10	WSA23-020	NON-RESIDENTIAL	REMODEL - COFFEE SHOP	0.14	4/5/2023	ADMIN - Commercial Under 1 AFY
11	WSA23-016	NON-RESIDENTIAL	REMODEL EXISTING - GYM	0.46	4/6/2023	ADMIN - Commercial Under 1 AFY
12	WSA23-021	NON-RESIDENTIAL	NEW COFFEE SHOP	0.2	4/7/2023	ADMIN - Commercial Under 1 AFY

TOTAL APPROVED	13.25
TOTAL BUDGETED	25.00
TOTAL REMAINING	11.75

Please see Page 1 for Residential Projects



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: Public Works
ITEM #: 4.D
SUBJECT: Presentation and Discussion Regarding the July to December 2023 Residential & Non-Residential Water Budgets, in Accordance with the 2022 Water Management Policy, Policy No. 11.

ITEM SUMMARY

The 2022 Water Management Policy, Policy 11, requires that the City Council set Water Budgets for both Residential and Non-Residential development at the last meeting in June and December of each year. This item will be for discussion and recommendation of the amount of the water budgets for July to December 2023.

BACKGROUND

The City Council adopted the 2022 Water Management Policy on April 26, 2022. The document sets forth the guidelines for a property owner or developer to receive water service from the City. Policy 11 states, "The Council shall set the water budgets semi-annually at it's last meeting in June and December of each year." Policy 12 sets the residential Water Budget and Policy 13 sets the non-residential Water Budget.

As part of the adoption of the current policy, the City's webpage was modified to include information regarding the current Water Budget(s) as well as the amount of water approved and the amount of water remaining available for both residential and non-residential developments. The information is updated on the first and third Wednesday of each month and includes administratively approved projects as well as projects approved by City Council. Projects do not reduce the amount of water available in the Water Budget until they are administratively approved for permitting or approved at a City Council meeting.

The Council set a residential Water Budget of 25 acre feet (AFY) for January to June 2023. A total of 14.84 AFY was used from January to June with 10.16 AFY remaining. This represents approximately 59% of the Water Budget for this time period. (Attachment 1)

The Council set a non-residential Water Budget of 25 AF for January to June 2023. A total of 13.25 AF was used from January to June with 11.75 AFY remaining. This represents approximately 53% of the Water Budget for this time period. (Attachment 1)

Staff will provide an overview of the current water service applications in review (Attachment 1) as well as a list of potential projects which may come forward in the next review period as part of the discussion of this item.

FINANCIAL IMPACT

There is no fiscal impact at this time.

RECOMMENDED ACTION

MOVE to forward the residential & non-residential water budgets for July to December 2023 to Council as recommended

ATTACHMENTS

1. Tracking Tables

2023 WATER BUDGET SUMMARY		
<u>RESIDENTIAL</u>		
	Number Applications	January -June 2023 AFY
Water Budget		25.00
Administrative Approval	6	2.55
Council Approval	3	12.29
TOTAL RESIDENTIAL APPROVALS	9	14.84
TOTAL WATER BUDGET REMAINING		10.16
<u>NON-RESIDENTIAL</u>		
	Number Applications	January -June 2023 AFY
Water Budget		25.00
Administrative Approval	11	2.31
Council Approval	1	10.94
TOTAL RESIDENTIAL APPROVALS	1	13.25
TOTAL WATER BUDGET REMAINING		11.75

PROPOSED WATER BUDGET: JULY-DECEMBER 2023				
<u>POTENTIAL RESIDENTIAL</u>				
Project No.	Project Name	Description	Location	Approximate Water Demand AFY
PAC23-003	Espire Sports Casitas	18 one bedroom & 6 Studio Units	3400 Gateway Blvd	3
PAC23-004	Townhomes at the Ranch	15 Townhome Units (1800-2200 SF)	3351 Gateway Blvd	2
PAC23-026	Rincon Ridge	29 MF Homes	906 Rock Lane	3.5
PAC23-036	Senator Drive-In Subdivision	37 SF Residential on 11.46 AC	Senator Highway	7.5
PAC23-051	L'Reserve Apt & Townhomes	67 Total Apt & Townhome Units	3910 E State Route 69	10.00
		RESIDENTIAL WATER BUDGET JULY-DECEMBER 2023		25.00
<u>POTENTIAL NON-RESIDENTIAL</u>				
Project No.	Project Name		Location	Approximate Water Demand AFY
PAC23-039	Plaza Hotel	55 Rooms with Wine Bar	140 S. Montezuma St	4
PAC23-040	New Office Building	2-Story Office Bldg	1545 Plaza West Dr	<1 AFY
PAC23-042	Quik Trip	Gas and Convenience Store	2280 E State Route 69	2.50
		NON-RESIDENTIAL WATER BUDGET JULY-DECEMBER 2023		25.00

WATER POLICY TRACKING TABLE
APPROVED PROJECTS

City of Prescott
Public Works Department
928-777-1130

	RESIDENTIAL PROJECTS					
	PERMIT NUMBER	PROJECT TYPE	DESCRIPTION	AF	DATE APPROVED	APPROVAL TYPE
1	B2210-114	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	1/23/2023	ADMIN - Single Family Residential
2	WSA23-012	MULTI FAMILY	8-UNIT COMPLEX IN CITY LIMITS	0.96	3/13/2023	ADMIN - Multi Family
3	WSA22-048	MULTI FAMILY	SUNSET APARTMENTS	4.35	3/14/2023	WIS/CITY COUNCIL
4	WSA23-006	MULTI FAMILY	PRESCOTT COMMONS	6.28	3/14/2023	WIS/CITY COUNCIL
5	WSA23-019	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	4/6/2023	ADMIN - Single Family Residential
6	WSA23-021	MULTI FAMILY	NEW MULTI-FAMILY	0.36	4/7/2023	ADMIN - MULTI-FAMILY RESIDENTIAL
7	WSA23-005	MULTI FAMILY	NEW MULTI-FAMILY	1.66	4/25/2023	ADMIN - MULTI-FAMILY RESIDENTIAL
8	WSA23-025	SINGLE FAMILY	INFILL SFR IN CITY LIMITS	0.17	5/9/2023	ADMIN - Single Family Residential
9	WSA23-027	MULTI FAMILY	NEW MULTI-FAMILY	0.72	5/15/2023	ADMIN - Multi Family Residential
TOTAL APPROVED				14.84		
TOTAL BUDGETED				25		
TOTAL REMAINING				10.16		

Please see Page 2 for Non-Residential Projects

Last Updated 5/15/23

WATER POLICY TRACKING TABLE **APPROVED PROJECTS**

City of Prescott
Public Works Department
928-777-1130

	NON-RESIDENTIAL PROJECTS					
	PERMIT NUMBER	PROJECT TYPE	DESCRIPTION	AF	DATE APPROVED	APPROVAL TYPE
1	B2212-085	NON-RESIDENTIAL	NEW OFFICE BUILDING	0.06	1/6/2023	ADMIN - Commercial Under 1 AFY
2	B2302-035	NON-RESIDENTIAL	REMODEL - BAR/RESTAURANT	0.27	2/24/2023	ADMIN - Commercial Under 1 AFY
3	WSA23-008	NON-RESIDENTIAL	REMODEL - MEETING SPACE	0.62	2/24/2023	ADMIN - Commercial Under 1 AFY
4	WSA23-003	NON-RESIDENTIAL	REMODEL - INPATIENT FACILITY	0.32	2/28/2023	ADMIN - Commercial Under 1 AFY
5	WSA23-009	NON-RESIDENTIAL	REMODEL - MEETING SPACE	0.04	3/13/2023	ADMIN - Commercial Under 1 AFY
6	WSA23-010	NON-RESIDENTIAL	REMODEL - RETAIL STORE	0.07	3/13/2023	ADMIN - Commercial Under 1 AFY
7	WSA23-005	NON-RESIDENTIAL	REMODEL - RETAIL STORE	1.66	4/25/2023	ADMIN - Commercial Under 1 AFY
7	WSA23-011	NON-RESIDENTIAL	REMODEL - COFFEE SHOP	0.09	3/13/2023	ADMIN - Commercial Under 1 AFY
8	WSA23-013	NON-RESIDENTIAL	NEW RETAIL	0.04	3/16/2023	ADMIN - Commercial Under 1 AFY
9	WSA23-006	NON-RESIDENTIAL	PRESCOTT COMMONS	10.94	3/14/2023	WIS/CITY COUNCIL
10	WSA23-020	NON-RESIDENTIAL	REMODEL - COFFEE SHOP	0.14	4/5/2023	ADMIN - Commercial Under 1 AFY
11	WSA23-016	NON-RESIDENTIAL	REMODEL EXISTING - GYM	0.46	4/6/2023	ADMIN - Commercial Under 1 AFY
12	WSA23-021	NON-RESIDENTIAL	NEW COFFEE SHOP	0.2	4/7/2023	ADMIN - Commercial Under 1 AFY
TOTAL APPROVED				13.25		
TOTAL BUDGETED				25		
TOTAL REMAINING				11.75		

Please see Page 1 for Residential Projects

Last Updated 5/15/23



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: Public Works
ITEM #: 4.E
SUBJECT: Discussion and Update Regarding the City's Participation in Comprehensive Agreement No.1.

ITEM SUMMARY

Update on the City's participation in Comprehensive Agreement No. 1

BACKGROUND

The history of Comprehensive Agreement No. 1 began with the City's 2009 Decision and Order of Assured Water Supply to include the Big Chino Water Ranch imported supplies. This underwent litigation; however, the courts ruled in favor of the City and all subsequent appeals were dismissed. Downstream water right holders continued to have concerns and this led to Agreement in Principle (AIP) formalized into City Contract No. 2010-128 dated February 11, 2010. The AIP set forth principles guiding the parties (Prescott Valley, SRP, and Prescott) and forming the basis for more detailed future agreements addressing specific terms, including groundwater modeling, groundwater and surface water monitoring, and mitigation (if necessary) associated with future pumping from the City's Big Chino Water Ranch and the importation of water into the Prescott Active Management Area.

The AIP, stated, "...forming the basis for more detailed agreements..." this language pointed to the first of those agreements which is commonly known as Comprehensive Agreement No. 1 (CA1). On October 3, 2012, the City formalized this agreement in City Contract No. 2013-058; CA1 addresses monitoring and modeling in the Big Chino Sub-basin, with the addition of mutual recognition of certain water rights from the Prescott Active Management Area. The monitoring efforts commenced immediately as all Parties knew that the more data gathered or developed would better inform the groundwater model. The modeling contract with Golder Associates, Inc. (now WSP) was approved by City Council on February 28, 2017, and the work started shortly thereafter with the gathering and analyzing of datasets. Building of the model began in September 2019, where the WSP groundwater modeling team was outlining the components of the development process which included: General Setting, Climate, Streamflow, Spring Flow, Geology, Aquifer Properties, Water Chemistry, Groundwater Elevations, Groundwater Budget, Water Quality Constraints on Conceptual Model Development, and Data Gaps and Uncertainty. Staff will provide an overview of the CA1 project and an update on current efforts.

FINANCIAL IMPACT

All funding has been provided by all Parties as of Calendar Year 2020.

RECOMMENDED ACTION

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

ATTACHMENTS

None



TO: MAYOR AND CITY COUNCIL
AGENDA: June 6 Council Subcommittee on Water Issues Meeting
DATE: June 6, 2023
DEPT: Public Works
ITEM #: 4.F
SUBJECT: Discussion Regarding Proposed Water Legislation Impacting the City of Prescott & Surrounding Areas.

ITEM SUMMARY

Public Works staff will provide a review of the proposed 2023 Water Legislation status and the positions taken by NAMWUA.

BACKGROUND

The City of Prescott is a member of the Northern Arizona Municipal Water Users Association (NAMWUA) which reviews State Legislation pertaining to water issues and identifies legislation that specifically impacts the association members. To this point, for the 2023 Legislative Session, NAMWUA has reviewed nearly 80 water related bills and has recommended support for 18 bills and opposed 4 bills. A discussion on 2023 Water Legislation was presented at the March 7th, 2023 Water Issues Subcommittee meeting. This discussion will provide follow-up information on the status of the bills since that discussion.

FINANCIAL IMPACT

There is no fiscal impact at this time.

RECOMMENDED ACTION

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

ATTACHMENTS

1. 5-17-23_Updated_WIS_Water Bills

HB2765, appropriation; DEQ; water sources; treatment

NAMWUA Position: Support

Sponsor(s): **Representative(s):** Sandoval: Aguilar, Austin Blattman, Bravo, Cano, Contreras P, De Los Santos, Gutierrez, Hernandez L, Hernandez M. Longdon, Mathis, Ortiz, Pawlik, Peshlakai, Quinonez, Salman, Schweibert, Seaman, Stahl Hamilton, Sun, Terech, Travers

The bill appropriates \$5,000,000 from the General Fund in fiscal year 2023-2024 for ADEQ to identify, contain and treat Arizona water sources for PFAS and PFOS.

Status:

House First Read 2/9/23

House Second Read 2/13/23

Assigned to:	Committee	Assigned Date	Report Date	Action	Vote
	NREW	2/9/23		None	
	APPROP	2/9/23		None	
	RULES	2/9/23		None	

Updates: No new updates to report since 3/7/23. Bill basically dead as it could not make it out of committee.

SB1432, assured water; small residential developments

NAMWUA Position: Support

Sponsor(s): **Senator (s):** Wadsack: Jones

This bill is identical to HB2048 and requires a person seeking a building permit for six or more residences within an AMA in an unincorporated area of a county, without regard to any proposed lease term for those residences, shall apply for an obtain a certificate of assured water supply from ADWR before presenting the permit application for approval to the county, unless the applicant has obtained a written commitment of water services for the residences from a city, town or private water company designated as having an assured water supply.

Status:

Senate First Read 1/31/23

Senate Second Read 2/1/23

Senate Third Read - 2/22/23 - (28-1-1-0-0) - PASSED

Transmit to House - 2/23/23

House First Read – 2/27/23

House Second Read – 2/28/23

Consent Calendar – 4/4/23 Object: Yes

House Majority Caucus: 4/4/23 – Yes

House Minority Caucus: 4/4/23 – Yes

House COW: 5/8/23 – RET ON CAL

House COW #2: 5/15/23 – RET ON CAL

Updates: House Committee as a Whole has retained the bill on calendar.

Note: No action taken by House on identical bill HB2048 at this time.

HB2793, water efficient plumbing fixtures

NAMWUA Position: Support

Sponsor(s): **Representative(s):** Mathis: Contreras P, De Los Santos, Gutierrez, Seaman, Stahl Hamilton, Travers

The bill defines “WaterSense-labeled plumbing fixtures” to mean a plumbing fixture that has been tested and certified pursuant to the WaterSense program and that is authorized to use the WaterSense label. It also defines “WaterSense Program: to mean the US EPA’s WaterSense program established under America’s Water Infrastructure Act of 2018 (P.L. 115-270; 132 STAT. 3765. Beginning January 1, 2025, this bill will prohibit the distribution, sale importation or installation of any plumbing fixture for use in this state in any new residential construction or for replacing plumbing fixtures in existing residential construction , unless the plumbing fixture is either a WaterSense-labeled plumbing fixture, a plumbing fixture that meets or exceeds the water efficiency criteria established before January 1, 2025 by the WaterSense program, a plumbing fixture for which the water efficiency criteria are not established before January 1, 2024 by the WaterSense program, or an evaporative cooling system or decorative fountain that is equipped with a water recycling or reuse system. All state buildings are to make every effort to install waterless urinals by August 25, 2024. The prohibition does not apply to the sale plumbing fixtures that were purchased and are located within the state before January 1, 2025.

Status:

House First Read 2/09/23

House Second Read 2/13/23

Assigned to:	Committee	Assigned Date	Report Date	Action	Vote
	NREW	2/09/2023		None	
	RULES	2/09/2023		None	

Updates: No new updates to report since 3/7/23. Bill is basically dead as it could not make it out of committee.

SB1660, water; effluent; credits

Sponsor(s): **Senator(s):** Kerr: Representative: Dunn

This bill expands the definition of “effluent” to include water, other than water that is originally supplied by a city, town, or private water company, that is used for non-irrigation use in an industrial facility and that is treated at the site for use to meet or exceed aquifer water quality standards as established pursuant to Title 49, Chapter 2.

If a water and wastewater service provider that holds a CC&N for a service area in which an industrial processing facility is located and is incapable of or does not accept the entire discharging capacity of the industrial processing facility, the industrial processing facility may construct and operate an on-site wastewater treatment facility for some or all of its wastewater. After treatment by the on-site wastewater treatment facility the industrial processing facility may discharge its effluent to a constructed underground storage facility and the water and wastewater service provide shall continue to provide water service under the terms of its CC&N that is sufficient for the industrial processing facility to comply with the occupancy requirement of the permitting jurisdictions and agencies for the facility. This bill will authorize an industrial processing facility to construct and operate an on-site wastewater treatment facility.

AMENDED: modifies the definition of effluent to also mean water that is “NOT” originally supplied by a city, town or private water company that is used for non-irrigation use in an industrial facility “that is located within the service area of a wastewater provider that holds a CC&N issued by the ACC” and that is treated at the site of use to meet or exceed aquifer water quality standards as established pursuant to tile 49, Chapter 2 “as determined by ADEQ. Such water remains effluent until it acquires the characteristics of ground or surface water.”

AMENDED FROM FLOOR BY REP. KERR: Adds to the requirements for issuing a water storage permit, that if the application is for a new water storage permit, the application must be received by the Director of ADWR by December 31, 2025, except the applicant for the permit may submit amendments, supplements, modifications or renewals of the permit after the application is timely submitted.

Requires the Director to credit 75% of the recoverable amount of the recoverable amount of stored effluent water to the storer’s long-term storage credit. Allows water to continue to be stored and long-term storage credits to continue to accrue and be used by the holder of a lawfully issued permit without regard to whether the water stored and long-term storage credits were accrued or used after December 31 2025.

Requires the Director to prepare a report regarding water storage permits for effluent and outlines the included information.

Defines industrial facility as an enterprise that consists of the facilities and equipment used for producing processing or assembling goods, not including facilities used for agriculture, mining or power generation.

Status:

Senate First Read 2/01/23

Senate Second Read 2/02/23

Senate Democrat Caucus - 2/20/23 - Yes
Senate Republican Caucus - 2/21/23 – Yes
Senate COW – 3/20/23 – Do Pass as amended
Senate Third Read – 3/20/23 - PASSED
Transmit to House – 3/21/23
House First & Second Read -3/27/23
Consent Calendar – Object: No
House Majority Caucus -4/11/23-Yes
House Minority Caucus-4/11/23-Yes

Updates: Bill was amended to require Director of ADWR to credit 75 percent of the recoverable amount of stored effluent water to the storer's long term storage credit. 25 percent would go to replenishing the aquifer for other users.

HB2731, local groundwater stewardship areas

NAMWUA Position: Neutral

Sponsor(s): **Representative(s):** Biasiucci

This bill is identical to SB1306 establishes the local groundwater stewardship fund and authorizes ADWR to oversee the administration of the fund. Of the remaining monies in the state lottery fund each fiscal year after the required appropriations and deposits, \$50,000,000 shall be deposited in ADWR's local groundwater stewardship fund. ADWR shall spend all monies in the fund to implement and support local groundwater stewardship areas. ADWR can use monies in the fund to support ADWR activities related to local groundwater stewardship areas. It can also grant monies to any agency of the state or any political subdivision, Indian tribe, or non-profit organization for the purpose of implementing programs to approve and fund voluntary, compensated land and water conservation plans to conserve and augment groundwater supplies. ADWR must provide an annual report on or before December 31 of each year that includes information on the amount of monies spent during the preceding fiscal year and a summary of the projects, activities and expenditures relating to implementing and supporting local groundwater stewardship areas and voluntary, compensated land and water conservation plans.

This bill authorizes county board of supervisors to designate by resolution one or more groundwater basins, subbasins, or portions of those basins that are located outside of an AMA in the county as a local groundwater stewardship area (LGSA) and nominate a LGSA Council to represent the water users and residents in the LGSA.

Status:

House First Read 2/09/23

House Second Read 2/13/23

Assigned to:	Committee	Assigned Date	Report Date	Action	Vote
	NREW	2/09/2023		None	
	RULES	2/09/2023		None	

Note: Currently there is no movement on this bill or SB1306. Sources say the bill will not be taken up for consideration in this legislative session.

HB2561, city water provider; requirements; service

NAMWUA Position: Oppose

Sponsor(s): **Representative(s):** Kolodin: Chaplik, Griffin, Senator(s): Kavanagh

This bill is identical to SB1093 and requires a city or town that provides water service to provide water service through a standpipe for water hauling to persons residing outside a city's or town's water service area who do not have access to sufficient water if all of the following apply:

- a. The number of households to be served is not more than 750.
- b. The city or town previously provided water service to the person who do not have access to sufficient water.
- c. There is no other source of water for those persons within 10 miles of their homes.
- d. The city or town is reimbursed for the costs of providing and delivering the water. And
- e. Providing water at the standpipe does not reduce the amount of water available to households within the city's or town's water service area or to households outside of the city's or town's water service area with whom the city or town has contracted to provide water.

AMENDED from Floor by Representative Kolodin 3/7/23: requires the city or town to provide water through an IGA with a county for a period of not more than 3 years to residents residing outside a city service by use of a standpipe that do not have access to sufficient water if (a) thru (e) above apply. The IGA shall provide that the county agrees to be responsible for all of the follow:

- 1) Delivering water shall be made by a licensed commercial water hauler that is contracted by the county. Self-hauling is prohibited.**
- 2) Paying the city or town for the full costs of providing the water to the residences eligible to receive water services. The county may do so either directly or through one or more third parties.**
- 3) Billing the residences for the cost of the water being received. The county may do so either directly or through one or more third parties.**
- 4) Providing an annual amount of water to the residences that may exceed the annual amount of water the residences in the area prescribe by this section previously received if the additional amounts do not violate subsection A Paragraph 5 of this section. The county may provide the water through one or more third parties.**
- 5) If the annual amount of water provided is exceeded pursuant to the IGA is exceeded, suspended or reduced, implementing and enforcing any necessary water conservation measures.**
- 6) Working to identify a long-term solution for the water needs of the area.**

The IGA shall indemnify the city of town with respect to any actions taken r occurrences after water is provided at the standpipe. The provision of water pursuant to this section and the IGA authorized are contingent on a county obtaining a source of water from a third party. Water provided pursuant to this section may not be used as the sole source of water for purposes of complying with or obtaining a building permit. A city or town may reduce

or suspend the amount of water provided if water becomes unavailable from a third part. A city or town is not liable to any person or entity for providing or failing to provide water pursuant to this section.

AMENDED FROM FLOOR 4/13/23 by Representative Kolodin: Directs a city or town to provide water service through a standpipe for water hauling to residences outside the city or town's service area through an IGA with a county for a period of up 3 years. Makes changes to the criteria that must be satisfied for water services to be provided through the IGA: 1) The residences to be service are in an unincorporated community adjacent to the city or town; 2) the city or town previously provided water service to the residences that do not have access to sufficient water; 3) There are no other water sources within 10 miles of the residences; 4) the city or town will be reimbursed for the full direct and indirect costs of providing and delivering water; and 5) Providing water at the standpipe does not reduce the amount of water available to residences and businesses within the city or town's service area or to residences and business outside this service area within whom the city or town has contracted to provide water means other than hauling. Requires a county that enters into this IGA to agree to be responsible for all the following: 1) delivering water through licensed commercial water haulers; 2) paying the city or town for the full costs of providing the water to eligible residences; 3) Billing he residences for the cost of water received; 4) providing an annual amount of water that does not exceed the annual amount of water the residences previously received; 5) implementing necessary water conservation measures if the annual water limit is exceeded; 6) working to identify long-term solutions for the water needs of the area; and 7) ceasing issuing building permits for new construction in the affected area.

Status:

House First Read 1/31/23

House Second Read 2/01/23

Assigned to:

Assigned to:	Committee	Assigned Date	Report Date	Action	Vote
	NREW	1/31/23	2/7/23	DP	6-3-1-0-0-0
	RULES	1/31/23	2/27/23	C&P	8-0-0-0-0-0

House Majority Caucus: 2/27/23 -Yes

House Minority Caucus: 2/27/23 -Yes

COW: 3/02/23 – DPA

COW#2: 3/09/23 – DPA

Show House Third – 3/09/23 – Failed

Show House RECON_3rd – 3/09/23-Passed

-----→ Several Misc Motions

COW #3 – 4/13/23 -Do pass as amended

House Third #2 - 5/10/23 (56-13-0-0-1) PASSED

Transmit to Senate: 5/10/23

Update: Sent to Senate on 5/10/23.

Note: SB1093 has passed through Republican and Democrat Caucus on 2/14/23. Bill has diverged from HB2561 since introduction. No changes since 3/7/23.

SB1392, Appropriation; Arizona state parks board; state park; Verde River

NAMWUA Position: Support

Sponsor(s): **Senator:** Kerr

Appropriates an undetermined amount of funding from the general fund to the Arizona state parks board to establish a state park at the headwaters of the Verde River. The Town of Chino Valley has requested NAMWUA's support for this bill.

Status:

Senate First Read 2/01/23

Senate Second Read 2/02/23

Assigned to:	Committee	Assigned Date	Report Date	Action	Vote
	NREW	2/01/2023	2/16/23	DPA	7-0-0-0
	APPROP	2/01/2023	2/23/23	DP	7-3-0-0
	RULES	2/01/23	3/06/23	PFC	0-0-0-0

Senate Republican Caucus: 3/07/23-Yes

Senate Democrat Caucus: 3/07/23-Yes

Third Senate Read: 3/16/23 – PASSED

Transmit to the House: 3/16/23

House First Read: 3/23/23

Appropriations Committee: 3/23/23 – Do pass as amended

House Second Read: 3/27/23

Update: Appropriations amended the bill to change funding from \$10Million to \$7Million. This \$7 Million has made it into the \$18 Billion State Budget which is a good sign for the bill. Senator Sinema is pursuing \$2Million in Congress direct spending in addition to the \$7Million in the bill.