

City of Prescott

Council Subcommittee on Water Issues



February 6, 2024 | 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 a 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 Revised November 7, 2023 Water Issues Subcommittee Meeting Minutes.

Recommended Action: MOVE to approve the minutes as presented

- B. Approval of the December 5, 2023 Water Issues Subcommittee Meeting Minutes.

Recommended Action: MOVE to approve the minutes as presented

- C. Presentation & Discussion Regarding an Overview of the 2023 Yearly Water Budget.

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

- D. Presentation & Discussion Regarding the 2022 Water Management Policy - Current Residential & Non-Residential Water Budget Overview for January 1, 2024 through January 24, 2024.

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

- E. Presentation & Review Regarding the Calendar Year 2023 Water Conservation Rebate Program.

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

- F. Presentation & Update Regarding the City's Application to Modify its Designation of Assured Water Supply.

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 2/1/24 at 12:00 p.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Sarah M. Siep

Sarah M. Siep, City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: City Clerk
ITEM #: 4.A
SUBJECT: Approval of the Revised November 7, 2023
Water Issues Subcommittee Meeting Minutes.

ITEM SUMMARY

Attached for approval are the Council Subcommittee on Water Issues minutes for the November 7, 2023 meeting. These minutes were presented for approval at the Tuesday, December 5 meeting, however, at that time Public Works staff stated that the minutes did not accurately reflect discussion and needed to be revised before approval. The information has been presented to City Clerk staff, revised and the updated minutes are now presented for approval.

BACKGROUND

None

FINANCIAL IMPACT

None

RECOMMENDED ACTION

MOVE to approve the minutes as presented

ATTACHMENTS

1. November 7, 2023 WIS Minutes

City of Prescott
**Council Subcommittee on
Water Issues**



November 7, 2023 | 9:30 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Member Montoya called the meeting to order at 9:30 a.m.

2. ROLL CALL

Cathey Rusing – Chair (Excused)
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 October 3, 2023 Water Issues Subcommittee Meeting Minutes.

**MOTION BY MEMBER MONTOYA TO APPROVE OCTOBER 3, 2023
MINUTES; SECONDED BY MEMBER SISCHKA: PASSED (2 - 0)**

B. Presentation & Discussion Regarding the 2022 Water Management Policy - Current Residential & Non-Residential Water Budget Overview for July 1, 2023 through October 18, 2023.

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

Per the 2022 water policy numbers 11 through 13, semi-annual budget for residential and non-residential use. The budget is established for July 1, 2023 through December 31, 2023 at 25 acre-feet annually for residential and 25 acre-feet for non-residential.

Residential:

A total of six residential projects were approved

Five of the six were administratively approved.

One was approved by the Water Issues Subcommittee and City Council.

The total approved for that period is 2.7 acre-feet annually (AF).

The remaining residential budget for this period is 22.3 AF.

Non-Residential

A total of seven non-residential projects were approved for this period.

All projects were administratively approved.

The total use of the seven projects is 2.21 AF.

The remaining non-residential budget for this period is 22.79 AF.

Per policy, all projects that contain existing contracts are administratively approved. Another 15 projects were administratively approved totaling 2.63 AF.

Member Montoya mentioned the in previous budget reports there had been higher requests for water. He asked staff why they think this may have changed.

Mr. Ruiz stated there had been a slowdown in permits. There are also projects that have been delayed which have caused the water budgets to be below the expected thresholds at this time.

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

- C. WSA23-036 a Water Service Application Submitted by Sport Hotel Development LLC, on Behalf of Owner Espire AZ LLC. Location: APN 103-20-598J, Comprising 9.97 Acres, in T14N, R01W, Section 31, SW ¼.

Mr. Ruiz provided a presentation to the Subcommittee regarding WSA23-036 for Espire Sport Hotel. The project will be located at the Gateway Mall in the former Sears parking lot. The hotel will consist of 107 to 110 rooms. Brian presented the hotel location, planned parking lot structure, and proposed layout.

Member Montoya asked if there would be no existing demand analysis for water due to the location.

Mr. Ruiz confirmed and stated the applicant provided three (3) year water billing using a comparable hotel. This calculated to a usage of 11.44 AF as a conservative estimate. Project was approved by Planning and Zoning Commission on September 28, 2023. The current budget is set at 22.79 AF. If approved by the Subcommittee, the remaining budget would be 11.35 AF.

Member Montoya asked how the water usage billing used in calculating analysis was gathered.

Mr. Ruiz stated the applicant used a comparable hotel within the state. A multiplier was then used to gather information based on the number of rooms of the hotel.

Member Montoya mentioned the age of the hotel used due to water efficiency resources used in newer hotels.

Mr. Ruiz explained the process used to gather information and the hierarchy of information used.

Member of the public Peter Kroopnick asked if the water usage of a nearby hotel had been used in the water usage calculation.

Mr. Ruiz stated the hotel used was the one provided by the applicant, but was also checked back using the General Engineering Standards (GES).

MOTION BY MEMBER SISCHKA TO FORWARD WSA23-036 TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED (2 - 0)

- D. WSA23-040 a Water Service Application Submitted by Michael Taylor Architects, on Behalf of Owner Lakeview Plaza LLC. Location: APN 106-20-509, Comprising 1.01 Acres, in T14N, R02W, Section 15, NW ¼.

Mr. Ruiz provided a presentation to the Subcommittee regarding WSA 023-040 for Lakeview Plaza Apartments, a proposed 90-unit apartment complex. The applicant submitted a water demand calculation based on the GES for the apartments and the Arizona Department of Water Resources multiplier for landscape. Apartment usage calculated to 10.8 acre-feet, and landscaping at .0975 acre-feet annually. Total usage calculated at 11.78 AF.

The Planning and Zoning Commission approved the project on September 28, 2023. Per water policy 14, no single WSA can be approved if the water usage is greater than 50% of the remaining semiannual water budget for that period. The project would use 52.8% of the remaining water budget based on the request for 11.78 AF with the current non-residential budget of 22.3 AF. The applicant has the option to appeal the 50% policy and has chosen to do so. If approved, the remaining budget would be 10.52 AF.

Member Sischka stated it is his understanding that if a corrected variance is approved, the water usage would no longer come from the current budget.

Mr. Ruiz confirmed, the water usage for this project would not be taken out of the current non-residential budget.

Member Sischka stated this should be corrected in the policy.

Member Montoya asked about drought tolerant landscaping in the project.

Mr. Ruiz mentioned the landscaping will meet the city code.

Member Montoya requested information about sub-metering.

Applicant and Architect Michael Taylor responded that sub-metering will be done per building, not per individual unit.

Member Montoya stated the use of sub-metering will lead to a better understanding of the water usage.

Mr. Taylor mentioned an error in information stated in the agenda. Mr. Taylor stated that the 1.01 acre shown is for one parcel. There are three or four parcels, and the actual project area is 2.98 acres.

MOTION BY MEMBER SISCHKA TO FORWARD WSA23-040 TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED (2 - 0)

- E. Approval of City Contract No. 2005-294A1, an Extension of Water Service Agreement.

Mr. Ruiz provided a presentation to the Subcommittee regarding a request to amend City Contract No. 2005-294. The WSA is for a development called Sterling Ridge Subdivision, and the original agreement was approved on December 13, 2005 by the Council, with an amendment on January 8, 2019 to reduce the lot count from 32 to 29 and water usage adjusted to 0.25 AF per unit.

The applicant had requested a second amendment to the contract to extend for three years and will use the current water policy rate of 0.17 AF per unit. Staff recommends forwarding the contract amendment to Council for approval.

Member Sischka asked if there is a limit on the amount of extensions a development can have.

Mr. Ruiz stated there is not in the current policy, that would be a decision for the Subcommittee and Council.

Member Montoya asked how the three years were determined by staff or if it was a request from the Applicant.

TC Development Representative Mike Crimmins responded that the three year request came from the applicant.

Member Montoya asked if three years is enough time to finish development or decide on other options.

Mr. Crimmins confirmed that it would be sufficient, previous delays were related to economic factors.

Member Montoya asked about the decrease in the water request.

Mr. Ruiz stated the water request calculation was decrease due to the decreased of the current water policy rate of .17 AF per unit.

Member Montoya mentioned bringing discussion to Council to update water policy and to discuss a reasonable timeframe for extensions.

MOTION BY MEMBER SISCHKA TO FORWARD CITY CONTRACT NO. 2005-294A1 TO COUNCIL FOR APPROVAL; SECONDED BY MEMBER MONTOYA: PASSED (2 – 0)

- F. Presentation & Discussion Regarding Comprehensive Agreement No. 1 Tenth Annual Report.

Water Resource Project Manager Leslie Graser provided a presentation to the Subcommittee regarding Comprehensive Agreement No.1 and the 10th Annual Report.

Ms. Graser stated that the Annual Report will be available on the city website by the end of the week. She mentioned the partnership of this project with Prescott Valley and the Salt River Project.

Member Montoya asked if costs were being split per the agreement.

Ms. Graser stated the City of Prescott is the fiduciary, and the three partners in the agreement split costs and all of the funding for this project has already been paid for as of 2019. She continued the presentation discussing the weather equipment locations and provided a comparison of two of the project's weather stations precipitation information.

Member Montoya asked how the data from the presentation compared historically, if there is a pattern.

Ms. Graser stated this has been average, a little lower currently, but there was more activity in March. Ms. Graser continued by showing a video clip of one of the project's streamflow gauging sites, the SRP low flow gauge, which shows the monitoring device being submerged various times.

Member Montoya asked if the equipment was damaged.

Ms. Graser stated that the SRP equipment was damaged due to water flow engulfing the monitoring equipment. She continued to provide information showing locations of monitoring wells.

Member Sischka commented that this presentation bodes well for aquifer.

Ms. Graser added that the well being monitored and displayed is a new well. It can be read as holding steady. She also stated that information is provided for one well, as opposed to seeing the information provided for the whole subbasin. She then presented the crop survey information.

Member Montoya asked whether there has been an increase of crop planting in the monitored areas.

Ms. Graser stated there has been generally a decrease in crops. It was noted by the modeling team that a lot of new wells have been drilled in Williamson Valley area, and it was being attributed to ranchettes.

Member Montoya requested the definition of a ranchette.

Ms. Graser stated ranchettes are usually a 2.5 acre lot consisting of grass pastures meant for a horse or two (2).

Member of the public Peter Kroopnick asked why there was an offset on the well graph shown during June 2020 that had been persistent for many years.

Ms. Graser stated there could be a number of factors; possibly a dry spell that affected the water level in the well.

Member Montoya mentioned the importance of gathering various data points to have a better understanding of the information gathered.

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

5. GENERAL ANNOUNCEMENTS FROM STAFF

No General Announcements.

6. ADJOURNMENT

There being no further business to discuss, Member Montoya adjourned the meeting at 10:37 a.m.

CATHEY RUSING, Chair

ATTEST:

NEDDY MACIAS, Deputy City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: City Clerk
ITEM #: 4.B
SUBJECT: Approval of the December 5, 2023 Water Issues Subcommittee Meeting Minutes.

ITEM SUMMARY

Attached for approval are the Council Subcommittee on Water Issues minutes for the December 5, 2023 meeting.

BACKGROUND

None

FINANCIAL IMPACT

None

RECOMMENDED ACTION

MOVE to approve the minutes as presented

ATTACHMENTS

1. December 5, 2023 WIS Minutes

City of Prescott

Council Subcommittee on Water Issues



December 5, 2023 | 9:30 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Member Rusing called the meeting to order at 9:31 a.m.

2. ROLL CALL

Member Fruhwirth - Excused
Member Gambogi
Member Rusing

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. Selection of Chair for the Subcommittee on Water Issues to Serve Through November 2025.

Member Rusing stated she has been the Chair for the last two years and volunteered to be nominated as Chair for the next two years.

MOTION BY MEMBER GAMBOGI TO NOMINATE MEMBER RUSING AS CHAIR; SECONDED BY MEMBER RUSING: PASSED (2-0)

- B. Approval of the November 7, 2023 Water Issues Subcommittee Meeting Minutes.

Member Gambogi stated he was not a member of the Subcommittee at the time the minutes were taken. He asked staff if they were confident that the minutes reflect what was presented.

Water Resource & Environmental Services Manager, Brian Ruiz, requested to review and have minutes approved at the following meeting due to staff comment.

MOTION BY CHAIR RUSING TO POSTPONE APPROVAL OF THE NOVEMBER 7, 2023; SECONDED BY MEMBER GAMBOGI: PASSED (2-0)

- C. Presentation & Discussion Regarding the January 2024 - June 2024 Residential & Non-Residential Water Budgets, in Accordance with the 2022 Water Management Policy, Policy No. 11.

This Item was discussed after Item 4.D.

Mr. Ruiz provided a presentation to the Subcommittee regarding the current and upcoming residential and non-residential water budget overview.

Residential:

Between January 1, 2023 - July 1, 2023 - six projects were administratively approved and two were approved by Council totaling 2.7 AF.

Total AF Budgeted - 25 AF
Total AF Approved - 2.7 AF
Total AF Remaining - 22.30 AF

Non-residential

Between January 1, 2023 - July 1, 2023 - eight projects were administratively approved, and one project was approved by Council totaling 14.02 AF.

Total AF Budgeted - 25 AF
Total AF Approved - 14.02 AF
Total AF Remaining -10.98 AF

Mr. Ruiz stated the current recommended budget is 25 AF for both residential and non-residential per water policy. He proceeded to review potential upcoming projects for January 2024- June 2024.

Chair Rusing commented on a potential Embry-Riddle Aeronautical University (ERAU) residence hall consisting of 200 dorms, and asked staff how that may impact the water budget if the usage is estimated at 30 AF. There is also a proposed project with 144 apartment units located at the mall with a water usage of 18.3 AF.

Mr. Ruiz responded the projects mentioned, do exceed the threshold and would require appeals.

Chair Rusing stated ERAUs' efforts at expansion are due to the pilot shortage and feels this project warrants an appeal and support from the community.

Member Gambogi asked for the total amount of projected water usage per the projects listed.

Mr. Ruiz stated the amount would be 65.8 AF.

Chair Rusing recommended the city work with ERAU regarding their 30 AF of water request.

Mr. Ruiz stated that once ERAU submits their water service application, staff will review their demand calculations.

Chair Rusing commented on the non-residential projects projected to remain within the budget, and benefits of commercial projects lack of water use.

MOTION BY MEMBER GAMBogi TO RECOMMEND FORWARDING THE RESIDENTIAL & NON-RESIDENTIAL WATER BUDGETS FOR JANUARY THROUGH JUNE 2024 TO COUNCIL FOR APPROVAL; SECONDED BY CHAIR RUSING: PASSED (2-0)

- D. 2022 Water Management Policy Discussion - Current Residential & Non-Residential Water Budget Overview for July 1, 2023 through November 22, 2023.

This item was discussed prior to Item 4.C.

Mr. Ruiz provided a presentation to the Subcommittee regarding the current residential and non-residential water budget overview.

Residential

Between July 1, 2023 - November 22, 2023 - six projects were administratively approved, and one was Council approved, totaling 2.7 AF.

Total AF Budget - 25 AF

Total AF Approved - 2.7 AF

Total AF Remaining - 22.3 AF

On November 28, 2023, the Council approved a 90-unit apartment complex with 11.78 AF.

Non-Residential

Between July 1, 2023 - November 22, 2023 - eight projects were administratively approved, totaling 2.58 AF.

Total AF Budget - 25 AF

Total AF Approved - 2.58 AF

Total AF Remaining - 22.42 AF

Projects Under Existing Contracts

Between July 1, 2023 and November 22, 2023, a total of 25 projects were administratively approved totaling 4.33 AF. Majority of these projects were single family residences.

Chair Rusing asked if with the 90-unit apartment complex appeal approval the remaining residential water budget would be adjusted in the next discussion.

Mr. Ruiz responded per the current water policy, if an appeal is approved by the Council, water usage is not removed from the 25 AF water budget.

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

- E. Presentation & Discussion Regarding Governor's Water Policy Council.

Mr. Ruiz provided a presentation to the Subcommittee on the Governor's Water Policy Council consisting of the Assured Water Supply Committee (AWS) and the Rural Groundwater Committee. He began with AWS's 15 committee members, objectives, and the Alternative Path to Designation Proposal.

AWS Members

-House Representative

- Arizona State Senator
- Representative from Salt River Project (SRP), Central Arizona Water Conservation District (CAWCD), Arizona Municipal Water Users Association (AMWUA), Southern Arizona Water Users Association (SAWUA),
- Commerce Authority, Valley Partnership, Arizona State Land Development (ASLD), City of Phoenix, and City of Tucson.

Objectives

- Protect and strength and integrity of AWS program
- Growth without reliance on mined groundwater
- Not to reduce the 100-year requirement
- Not to increase the dept in which water is pumped
- Protect consumers.

The Alternative Path to Designation Proposal is meant to help private utilities and smaller municipalities pursue a Designation of 100- year Assured Water Supply (DAWS).

Chair Rusing asked whether conservation is an objective in either Committee.

Mr. Ruiz responded conservation will be a key component of the Rural Groundwater Committee. AWS Committee has conservation efforts mandated through the DAWS Program. He continued with his presentation on the Alternative Path to Designation Proposal.

Chair Rusing asked if there would be a size restriction for the municipality wishing to participate in the DAWS program.

Mr. Ruiz responded size and population restrictions were not mentioned. Although, the community would need to be in an Active Management Area (AMA). The program's primary objective is to use alternative sources to reduce the dependence on groundwater.

Member Gambogi asked if alternative sources were discussed and what those would be.

Mr. Ruiz mentioned alternatives would be treated effluent and surface water supplies as well as legally transported water supplies from one groundwater basin to another. He continued onto present AWS Committee's Wildcat and Built to Rent (BTR) Proposals, beginning with the Wildcat Proposal. The Wildcat Proposal is meant to strength subdivision laws by clarifying the definition of "contiguous" when evaluating lots that may constitute as subdivisions in regard to water use, as well as applying higher civil penalties to unauthorized subdivisions.

Chair Rusing asked if there are any Wildcat subdivision in Prescott.

Mr. Ruiz responded that there are Wildcat type subdivisions throughout Yavapai County, and continued by presenting the Wildcat Proposal which would allow counties and municipalities to collect ownership information and require the subdivider to obtain a subdivision public report based on the ownership findings.

Chair Rusing asked if current Wildcat subdivisions would be grandfathered in and be able to start hauling water when they so choose.

Mr. Ruiz responded he had not heard mention of existing subdivisions or how they would be dealt with. He then presented an overview of the Council recommendations for the Wildcat Proposal.

Chair Rusing asked if any pending legislation would require a disclosure to potential buyers of their purchase in a Wildcat Subdivision.

Mr. Ruiz stated he was not aware of any such legislation. He continued to present the Build to Rent (BTR) Proposal and mentioned there are BTR subdivisions in Yavapai County and have been proposed in Prescott. He added that the BTR Proposal would define a residential lease community (RLC) without regard to lease term. The Assured Water Supply (AWS) program considers RLCs the same as subdivisions in terms of water use. A City or County would be able to approve the building of an RLC within an AMA if the units obtain a Certificate of AWS or a written commitment of water service from a designated municipality or private water company. The BTR Proposal would ensure that BTR communities are under the protection of the AWS program and at parity with subdivisions regarding assured water supplies.

Member Gambogi asked if there are current estimations of how much water will be saved over a period of time.

Mr. Ruiz stated that there are no current estimations. He continued to provide a brief overview of the proposals/recommendations' process and time span. He continued onto present the Rural Groundwater Committee's 16 members, and objectives.

Rural Groundwater Committee Members

- An Arizona Representative
- Northern Arizona Municipal Water User's Association (NAMWUA) Representative,
- Arizona Department of Environmental Quality (ADEQ), Audubon, Agriculture and Forestry, and Fire Management
- Arizona State University (ASU) Kyl Center, University of Arizona Water Resource Center (UA WRRRC), Northern Arizona University (NAU)
- County Supervisor, Freeport-McMoRan
- Environmental Defense Fund, Agribusiness & Water Council

Objectives

- Develop policy, legislation, or actionable recommendations for the Governor.
- Assist rural communities in managing local groundwater resources
- Protected water users
- Manage aquifers sustainably

Mr. Ruiz provided the current state of rural groundwater in the state of Arizona, and explained the dangers of over pumping and how it can affect the nearby communities. He presented the proposed "Rural Groundwater Management

Areas" (RGMA) which would address the current state of the rural groundwater in areas outside of AMAs and irrigation non-expansion areas.

Chair Rusing commented on the importance of this proposal due to the Big Chino Water Ranch being in an unregulated area outside of the AMA which encompasses Prescott.

Mr. Ruiz presented the current designation process for an RGMA, and stated the documentation needed.

Chair Rusing mentioned that an aspect of being outside an AMA is not needing to have a metered well, and asked if metered vs unmetered wells were addressed. She also commented on the resistance to metered wells, as well as their importance in gathering data.

Mr. Ruiz stated metered wells were addressed but is one of most controversial and challenging aspects of the framework due to water users being sensitive to reporting their water uses for various reasons.

Chair Rusing stated the issue is not with small homesteads, rather the large corporations that are able to pump aquifers dry.

Mr. Ruiz agreed and continued to discuss the RGMA Council duties and the Area Management Plan.

Chair Rusing asked if reclaimed water would be a part of the new strategy.

Mr. Ruiz responded there was not much mention of direct potable water reuse or advanced water purification. He continued with presenting the RGMA Council membership details.

Member Gambogi asked if Prescott is a member of any Councils.

Mr. Ruiz stated Prescott is not, as it is already in an AMA. He continued with his presentation of the Sunset and Review clause, and an overview of the Rural Groundwater Committee recommendations. He stated the Arizona Department of Water Resources (ADWR) director had sent a letter to Governor Hobbs with all recommendations encapsulated and had begun the informal rule-making process. This will be followed up with a formal rule-making process which is estimated to take six to eight months. The committee will reconvene as more data is collected from the stakeholders.

Chair Rusing stated she is glad the Governor is making movement toward resolving these issues.

5. ADJOURNMENT

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

Cathey Rusing, Chairperson

ATTEST:

Neddy Macias, Deputy City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: Public Works
ITEM #: 4.C
SUBJECT: Presentation & Discussion Regarding an Overview of the 2023 Yearly Water Budget.

ITEM SUMMARY

This item will provide an overview of the water allocations completed in 2023 for residential and non-residential projects.

BACKGROUND

The City Council adopted the 2022 Water Management Policy on April 26, 2022. Policies 11-14 provide guidance for setting bi-annual water budgets and the appeal process required if water requests exceed 50-percent of the amounts available within the bi-annual budget. In 2023, City Council approved bi-annual water budgets of 25 acre-feet per bi-annual period for both residential and non-residential projects. This presentation will provide calendar year 2023 final values for water allocations granted to residential and non-residential projects within the City's Water Service Area, including the percentage of water allocated by project types, geographic locations, and municipal boundaries.

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: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: Public Works
ITEM #: 4.D
SUBJECT: Presentation & Discussion Regarding the 2022 Water Management Policy - Current Residential & Non-Residential Water Budget Overview for January 1, 2024 through January 24, 2024.

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, 2024 and January 24, 2024.

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, 2024 through June 30, 2024 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, 2024 and January 24, 2024 no new residential projects were approved. The total remaining residential budget is 25.00 acre-ft.

Between January 1, 2024 and January 24, 2024 a total of 1 non-residential projects was approved. The estimated demand was under the threshold of 1 acre-foot/year and it was administratively approved. The total remaining non-residential budget is 24.30 acre-ft.

Between January 1, 2024 and January 24, 2024 a total of 6 projects were approved under existing contracts. All 6 of these were new single-family homes located primarily within Groundwater Subdivisions. The total number of residential dwelling units approved under existing contracts was 6, totaling 1.10 acre-ft/year. Projects under existing contract are not included in the water budget (Policy 9).

FINANCIAL IMPACT

N/A

RECOMMENDED ACTION

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

ATTACHMENTS

1. Water Tracking Working Data

WATER POLICY TRACKING TABLE
APPROVED PROJECTS

RESIDENTIAL PROJECTS							
	PERMIT TYPE	DESCRIPTION	PERMIT NUMBER	AFY	APPROVAL TYPE	WATER SERVICE AGREEMENT	DATE APPROVED
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

TOTAL APPROVED	0.00
TOTAL BUDGET	25.00
TOTAL REMAINING	25.00

Please see Page 2 for Non-Residential Projects

**WATER POLICY TRACKING TABLE
APPROVED PROJECTS**

COMMERCIAL PROJECTS						
	PROJECT TYPE	DESCRIPTION	PERMIT NUMBER	AFY	APPROVAL TYPE	DATE APPROVED
1	Commercial	NEW COMMERCIAL	ENG2312-017	0.70	ADMIN - Commercial under 1 AFY	1/23/2024
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						

TOTAL APPROVED	0.70
TOTAL BUDGET	25.00
TOTAL REMAINING	24.30

Please see Page 1 for Residential Projects

WATER POLICY TRACKING TABLE
APPROVED PROJECTS - UNDER EXISTING CONTRACTS

[illegible]

	Number of Projects	Res Units	AF
Total Residential	6	6	1.10
Total Commercial	0	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 of project area.



TO: MAYOR AND CITY COUNCIL
AGENDA: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: Public Works
ITEM #: 4.E
SUBJECT: Presentation & Review Regarding the Calendar Year 2023 Water Conservation Rebate Program.

ITEM SUMMARY

Staff will provide a review of the Calendar Year 2023 Rebate Program.

BACKGROUND

Under Prescott City Code, Chapter 3-10-8, the City manages the ongoing Rebate Incentive Program by encouraging residents and businesses to conserve water. This is accomplished by offering incentives such as turf removal, rain barrels, rain gardens, and irrigation controllers, and by retrofitting plumbing fixtures and selecting new washing machines.

Staff will provide highlights of the Rebate Incentive Program for Calendar Year 2023 in which \$61,148 dollars were rebated to our applicants, and 2,464,674 gallons were saved.

FINANCIAL IMPACT

\$40,000 is allocated annually for the Rebate Incentive Program.

RECOMMENDED ACTION

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

ATTACHMENTS

1. 3-10-8 Incentive Program

3-10: WATER CONSERVATION CODE

3-10-8 INCENTIVE PROGRAM:

- (A) Intent: To encourage residents and businesses to conserve water, the following conservation incentive program has been established. This program applies to the purchase and installation of devices to retrofit plumbing fixtures with high rates of flow, and to limit outdoor water use for landscaping purposes.
- (B) All incentive awards require and are subject to the submittal of complete applications and determination of eligibility and qualifications by the City. Applications will be accepted only from the current property owner(s) of record.
- (C) The incentive program is provided on a first come, first served basis, subject the availability of budgeted funding. Applicants are responsible for confirming the availability of funding for incentive awards prior to submittal of their applications, which information can be obtained by contacting the Prescott Public Works Department. Total incentives granted for a property shall be limited to two thousand five hundred dollars (\$2,500.00).
- (D) Incentive awards will be credited on water bills for the applicable properties within three (3) billing cycles after approval.
- (E) Each item is a one (1) time award for the property, fixture or equipment as indicated, subject to City review, approval and issuance of permits where required.
- (F) Incentives shall be administered by Water Resource Management staff, in accordance with the following incentive awards list.

Incentive awards list and qualifying criteria:

INCENTIVE AWARDS LIST	
Water Efficiency Improvement Incentive	Incentive Award Amount
Rainwater cistern (active rainwater harvesting) ¹ Rain barrels with 50-65-gallon capacity Rain barrels with 75+ gallon capacity	\$500 maximum award \$0.50 per gallon of storage \$1.00 per gallon of storage
Rain garden (passive) ²	\$500.00 maximum award \$3.00 per square foot
Turf removal on site and in adjacent public right-of-way ³	\$1.00 per square foot
Toilet: 1.0 gallon per single flush or 1.28 gallons per dual flush	\$150.00
Toilet: 1.0/1.28 dual flush toilet	\$125.00
Toilet: 1.28 gallons per single flush	\$100.00
Water customer on septic system, additional toilet incentive	\$50.00
Commercial urinals: Must meet the new EPA standard of 0.125 gallons per flush (0.5 quart)	\$100.00
WaterSense-labeled smart irrigation timer ⁴	\$75.00
Clothes washing machine replacement ⁵	\$200.00
Water customer on septic system, additional washing machine replacement incentive	\$50.00
Hot water recirculating system	\$150

¹ Rainwater Cistern. Requires the installation of a minimum one hundred (100) gallon capacity rainwater catchment tank or engineered cistern. Rainwater storage systems may not be interconnected with the City potable water system. Requires receipts of purchase, and photos of installed cisterns. Applicants must contact the conservation office for guidelines prior to installation of the system.

² Rain Garden (Passive). A minimum of fifty (50) square feet must be installed. A minimum of four hundred (400) square feet of stormwater needs to be redirected from the roof. Only native plants may be planted in rain garden, but catchment may also be rock lined. Rebate is for basin footprint. Applicants must contact the Conservation Office for guidelines prior to installation of the system.

³ Turf Removal. Requires conversion from irrigated turf grass to water-saving landscaping, and, if irrigated, installation of an automatic water timer, backflow prevention device and drip or similar system. Applicants must contact conservation office for guidelines prior to removal of turf.

⁴ Smart Irrigation Timer. Must use local weather data or soil moisture sensors to limit unnecessary outdoor watering, must be easy to use, and be EPA Water Sense approved.

⁵ Ultra-Efficient Washing Machine. Washer must be on the City of Prescott Consortium for Energy Efficiency clothes washer qualifying product list at the time of purchase to qualify, and which can be found on the City website.

(G) The City Manager may approve higher incentive award amounts when those incentives listed above are not sufficient to recognize the magnitude of conservation by the property. City Manager may also provide conservation incentive awards for actions not listed above in the event those projects provide a significant benefit to the City due to the conservation achieved.

(Rep. by Ord 4446, 12-21-2004; Added by Ord 4527, 2-28-2006; Ord. 4691, 3-10-2009; Ord. 4759, 8-31-2010; Ord. 5002-1540, 9.13-2016; Ord. 2019-1676, 7-9-2019; Ord. 2021-1746, 2-23-2021; Ord. 2022-1813, 10-11-2022)



TO: MAYOR AND CITY COUNCIL
AGENDA: February 6 WIS Meeting
DATE: February 6, 2024
DEPT: Public Works
ITEM #: 4.F
SUBJECT: Presentation & Update Regarding the City's Application to Modify its Designation of Assured Water Supply.

ITEM SUMMARY

Staff will provide an update on the activities related to the City's Application to Modify its Designation of Assured Water Supplies, Decision and Order (D&O) No. 86-401501.0001.

BACKGROUND

The last update to the City Council Subcommittee for Water Issues was at the April 6, 2021 meeting. Prior to submitting the ADWR application, Resolution No. 2021-1803 was approved by the City Council on November 23, 2021. This application was filed on-time in accordance with D&O No. 86-401501.0001, Section IV, Order of Designation and Conditions of Designation, Nos. 4 and 5. The condition of designation the City had reached was consistent with No. 4 shown below.

No. 4

If Prescott does not submit to the Department on or before December 31, 2019, evidence that ADEQ has issued an AOC [Approval of Construction] for the pipeline, Prescott shall submit an application to modify this decision and order designating Prescott as having an assured water supply when the sum of Prescott's current demand, and committed demand, and committed demand and two year projected demand exceeds 16,397 acre-feet per year, or by December 31, 2021, whichever is earlier.

No. 5

If Prescott submits to the Department on or before December 31, 2019, evidence that ADEQ has issued an AOC for the pipeline, Prescott shall submit an application to modify this decision and order designating Prescott as having an assured water supply when the sum of Prescott's current demand, committed demand and two-year projected demand exceeds 20,675.44 acre-feet per year, or by December 31, 2025, whichever is earlier.

FINANCIAL IMPACT

At the time of submittal (December 2021), application fees were paid to ADWR in the amount of \$2,000.00. Fiscal Year 2024 funding remains available for additional costs associated with the completion of the project. Fiscal Year 2025 budgets will also be prepared to meet likely ADWR fees that are assessed when the update D&O is issued.

RECOMMENDED ACTION

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

ATTACHMENTS

1. Resolution No. 2021-1803_signed 11 23 21
2. Application_Part A only_12 11 2021

RESOLUTION NO. 2021-1803

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE ARIZONA DEPARTMENT OF WATER RESOURCES TO MODIFY THE CITY'S ASSURED WATER SUPPLY DESIGNATION.

RECITALS:

WHEREAS, a water provider receives a Designation of Assured Water Supply by demonstrating the physical, legal, and continuous availability of water from various sources sufficient to meet the projected water demand in its service area for one hundred years, and;

WHEREAS, the Arizona Department of Water Resources approved the City of Prescott's application and ordered the Designation of Assured Water Supply on December 30, 2009, and;

WHEREAS, the Arizona Department of Water Resources Decision and Order No. 86-401501.0001 requires updates based on conditions therein, and;

WHEREAS, the City of Prescott's Application for a Designation of Assured Water Supply is being prepared as required for submittal by December 31, 2021, and;

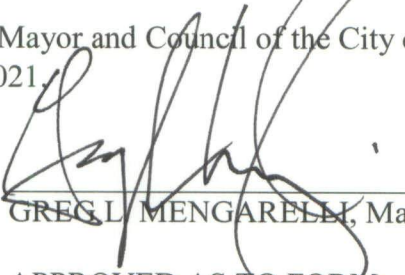
WHEREAS, the Assured Water Supply Rules (A.A.C. R12-15-710) require that the City Manager sign the application and that a resolution by the governing body authorizing the City Manager to sign the application be submitted to ADWR;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PRESCOTT, ARIZONA, as follows:

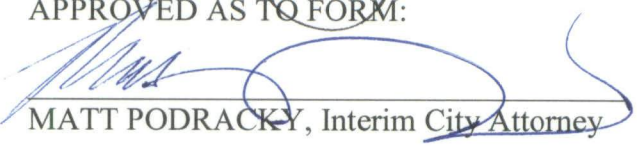
SECTION 1. That the City Council hereby authorizes the submission of an application to the Arizona Department of Water Resources to modify the City's Assured Water Supply Designation No. 86-401501.0001 to reflect demands and supply types.

SECTION 2. That the City Council hereby authorizes Prescott's City Manager to sign the application for the modified designation on behalf of the City, and further authorizes the Mayor and staff to submit requisite additional documents, information and studies in support of such application.

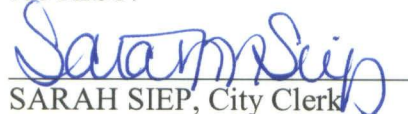
PASSED AND APPROVED by the Mayor and Council of the City of Prescott, Arizona, on this 23 day of November, 2021.


GREG L. MENGARELLI, Mayor

APPROVED AS TO FORM:


MATT PODRACKY, Interim City Attorney

ATTEST:


SARAH SIEP, City Clerk

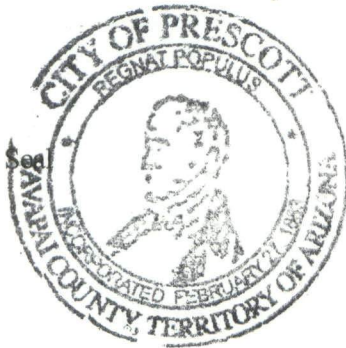
CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)

County of Yavapai) ss.

I, the undersigned Sarah M. Siep, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Resolution No. 2021-1803 is a true, correct and accurate copy of Resolution No. 2021-1803 passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the 23 day of Nov. 2021, at which a quorum was present and, by a 7-0 vote, all voted in favor of said resolution.

Given under my hand and sealed this 30 day of Nov., 2021.



Sarah M. Siep
City Clerk

ARIZONA DEPARTMENT OF WATER RESOURCES
OFFICE OF ASSURED AND ADEQUATE WATER SUPPLY
1110 W Washington St, Ste 310
PHOENIX, ARIZONA 85007-2954
(602) 771-8599 Fax: (602) 771-8689
assuredadequate@azwater.gov

DATE RECEIVED:

RECEIVED

DEC 21 2021

AAWS

APPLICATION NO:

DESIGNATION OR MODIFICATION OF DESIGNATION OF ASSURED WATER SUPPLY APPLICATION
PART A - GENERAL INFORMATION

1. This is an application for: ☐ New Designation ☒ Modification of an existing Designation

If this is a modification of an existing designation, you may expressly reference items submitted in support of a previous application rather than resubmitting identical items. However, please provide updated documentation if more recent information is available.

2. Name of municipal provider: City of Prescott AMA: Prescott
ADWR No. 56- 003017.0000 County: Yavapai

3. Name and address of person representing the municipal provider:
Name: Michael Lamar Michael.Lamar@prescott-
Title: City Manager E-Mail: az.gov
Address: 201 N. Montezuma Prescott, AZ 86301-3055 Phone: 777-1248 Fax: NA

4. Contact person for questions regarding this application:
Name: Leslie Graser Leslie.Graser@prescott-
Company: City of Prescott E-Mail: az.gov
Address: 433 N. Virginia St. Prescott, AZ 86301-2635 Phone: 777-1144 Fax:

5. If not already on file with the Department, provide a map of the service area that includes the current and proposed distribution system and any treatment or storage facilities and reference as an attachment.

Up-to-date service area map on file with the Department ☒

Hard copy of service area map attached ☐

Electronic copy of service area map attached ☐

Attachment: _____

Attachment: _____

I DO HEREBY certify that the information contained in **this application and all information accompanying it is true and correct to the best of my knowledge and belief.** **NOTE:** If the applicant is a city or town, include a resolution of the governing body of the city or town authorizing the person to sign the application.

Printed Name

Michael Lamar

Title

City Manager

Signature

[Signature]

Date

11/29/2021

PART B - DEMAND ESTIMATE

Please use the Designation demand spreadsheet provided by the Department to document the estimated water demand in the service area. See the Department's website at <http://www.azwater.gov> and click on Permits / Reporting to download a copy of the Designation demand spreadsheet **OR** provide a detailed explanation of the assumptions used in estimating the water demand for the water service area and reference the demand spreadsheet and/or the assumptions used as an attachment and complete Table B below. Attachment: Part B, Attachment B1

Requested Term of Designation: 20 years (not less than two years after issuance).

CURRENT ANNUAL DEMAND: 9,328.00 acre-feet per year **YEAR:** 2020

The current demand is the total water production for the most recent completed calendar year. This includes both potable and non-potable water sources, as well as water that is lost or unaccounted for.

COMMITTED DEMAND: 3,534.54 acre-feet per year

The committed demand is the estimated demand for recorded, but unbuilt lots within the water service area.

PROJECTED DEMAND: 1,667.00 acre-feet per year **YEAR:** 2040

The projected demand is the demand, at build-out, of lots that will be recorded and other customers expected to be added during the term of the designation. The projected demand should equal the difference between the total amount of water projected to be delivered in the projected calendar year you are seeking to be designated through, minus the current demand.

TOTAL ANNUAL DEMAND: 14,529.54 acre-feet per year **YEAR:** 2040

The total annual demand is the sum of the current demand, committed demand and projected demand provided above.

TABLE B:
SUM OF CURRENT, COMMITTED, AND PROJECTED DEMAND FOR THE WATER SERVICE AREA
FOR THE CURRENT YEAR PLUS EACH SUBSEQUENT YEAR FOR THE NEXT TEN YEARS

Year	1	2	3	4	5	6	7	8	9	10
Population										
Current Demand (af/yr)										
Committed demand (af/yr)	Table is within Part B, Attachment B1									
Projected demand (af/yr)										
Total Demand (af-yr)										

(If proposed term of Designation is greater than 10 years, please provide this information on a separate sheet.)

PART C- PHYSICAL AVAILABILITY OF SOURCE WATER

1. A comprehensive hydrologic study must be submitted with this application, unless the Department has previously reviewed the hydrologic conditions for this area and has issued a valid Letter of Water Availability, Physical Availability Determination or Analysis of Assured Water Supply. The Department has adopted a substantive policy statement to provide guidelines for preparing a new hydrologic study. The policy statement is available on the Department's website at <http://www.azwater.gov> under the Permits, Forms and Applications page.

Please indicate the evidence of physical availability and reference as an attachment: Part C, Attachment C2

- ☐ Water Availability Letter
☒ New Hydrologic Study (for supplies within the PrAMA)

- ☐ Physical Availability Determination
☐ Other, please specify: _____

Technical Registration Requirements

The Arizona Department of Water Resources requires hydrologic and engineering reports, studies, drawings and maps, specifications, analyses or related data submitted to support the evaluation of this application to be signed and sealed by a professional geologist or qualified professional engineer who is registered in the State of Arizona under the authority of A.R.S. Title 32, Chapter 1.

- If not already included in the attachment under Part C, question 1 above, please attach a list of all existing service area wells including the well registration numbers, legal description (township, range, section, 180, 40, 10 quarter sections) and pump capacity of each well in gallons per minute. If your application includes proposed wells, please provide the legal description (township, range, section, 180, 40, 10 quarter sections) of each proposed well and the anticipated pump capacity of each proposed well in gallons per minute.
- If you had a pre-application meeting with the Department, please indicate the date of that meeting: 8/25/21&10/25/21
- If you submitted a hydrologic study proposal to the Department's Hydrology Division for their review prior to submitting this application, please indicate the date of submittal of the hydrologic study proposal: not applicable.

PART D- CONTINUOUS AVAILABILITY AND LEGAL AVAILABILITY OF SOURCE WATER

- If the municipal provider has not yet established a service area right, please attach a copy of the Initial Petition to Establish New Water Service Area as submitted to the AMA. not applicable
- If applicant is a private water company, attach a copy of any Decision and Order from the Arizona Corporation Commission establishing the CC&N or extension of CC&N. Reference as attachment: not applicable.
- To complete the table below, multiply the Total Annual Demand computed in Part B by 100 to obtain the 100-year demand and enter at the bottom of the chart. Enter the appropriate 100-year demands for each type of water delivered to the subdivision for each category.

Source of Supply	100 Year Volume (ac-ft)
Groundwater	
Central Arizona Project Water: Direct treatment and delivery	Please see Part D, Attachment D1
Stored and Recovered water	
Surface Water: Direct treatment and delivery	
Stored and Recovered water	
Effluent: Direct treatment and delivery	
Stored and Recovered water	
Other	
Total 100-yr Volume	

- See A.A.C. R12-15-717 and R12-15-718 for documentation that should be submitted as evidence of continuous availability and legal availability (respectively) for each source of supply. Please reference attachment(s): See Part D, Attachment D1

PART E - CONSISTENCY WITH MANAGEMENT PLAN

1. For the municipal or county jurisdiction within which the service area is located, list any water conservation ordinances and briefly describe the sections that apply to the water service area. If they will serve as evidence of your demand projections, please reference as attachment. Attachment: Part E, Attachment E1.
2. Generally describe any other current or proposed conservation practices, rates, fees, restrictions, policies and devices to be utilized within the service area to meet the conservation requirements of the Management Plan and reference as an attachment. Attachment: Part E, Attachment E1.

NOTE: See A.A.C. R12-15-7219A). If demand estimates rely on these conservation requirements, please reference attachment: _____

PART F - FINANCIAL CAPABILITY

Please check one or more of the following and include attachments as necessary:

- ☒ The applicant has constructed adequate delivery, storage, and treatment works. Part F, Attachment F1
- ☐ The applicant has entered into written agreements requiring potential developers to construct adequate delivery, storage, and treatment works. Attachment: _____

If the applicant is a city or town, the applicant has:

- ☒ Adopted a five year capital improvement plan that provides for the construction, or the commencement of construction, of adequate delivery, storage, and treatment works in a timely manner, and has submitted a certification by the applicant's chief financial officer that finances are available to implement that portion of the five-year plan; or Part F, Attachment F2
- ☒ Submitted evidence demonstrating that financing mechanisms are in place to construct adequate delivery, storage, and treatment works in a timely manner.
- ☐ If the applicant is a private water company, the applicant has received approval from the Arizona Corporation Commission for financing the construction of adequate delivery, storage, and treatment works.

PART G - CONSISTENCY WITH MANAGEMENT GOAL

Please check all that apply below:

- ☐ Enrollment of the water provider as a member service area in the Central Arizona Groundwater Replenishment District (Phoenix, Tucson and Pinal AMAs **ONLY**). Not applicable
A separate application for membership must be filed with the Central Arizona Water Conservation District, and the membership documents **must be executed and recorded before** the Designation will be issued.
- ☒ Extinguishment of grandfathered groundwater rights dedicated to the municipal provider's water service area.
Provide evidence and reference the attachment: Part G, Attachment G1
- ☒ Other. Please specify: Exempt wells in accordance with R12-15-726 A.2.b. (See Part G Attachment G1

PART H - WATER QUALITY

1. Are the well or wells from which water will be withdrawn by the municipal provider within one mile of a Water Quality Assurance Revolving Fund (WQARF) or Superfund site? ☐ Yes ☒ No.

If "Yes", please submit a contaminant migration and mitigation analysis demonstrating that the water supply will continue to meet the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____

2. ☒ Municipal provider is or will be regulated by the Arizona Department of Environmental Quality (ADEQ) or another governmental entity with equivalent jurisdiction. If this applies, independent proof of adequate water quality is not required, please skip to Part H. Part H, Attachment H1
3. ☐ If provider is currently regulated, provider is in compliance with all state and federal water quality regulations.
4. If the municipal provider serves or will serve 15 customers or less, provide current (within the last 60 days) analytical results on water samples taken from a well or wells constructed *within the service area*, demonstrating that the water meets the water quality requirements in A.A.C. Title 18, Chapter 4, and reference as attachment: _____

NOTE: Information on the required water quality analyses may be found at the ADEQ website <http://www.adeq.gov>.

PART I – FEES

The initial fee for an Application for a Designation of Assured Water Supply or a Modification of a Designation of Assured Water Supply is \$2,000. Total fees for this application are based upon an hourly billable rate, which can be found on the ADWR web site @www.azwater.gov. If the costs of reviewing your application exceed \$2,000, you will be invoiced for the difference, up to a maximum total fee of \$35,000. Payment may be made by cash, check, or credit card (if you wish to pay by credit card, please contact the Office of Assured and Adequate Water Supply at 602-771-8599). Checks should be made payable to the Arizona Department of Water Resources. In addition to the hourly application fee, the applicant must pay any review-related costs associated with the application and the actual cost of mailing or publishing any legal notice of the application or any notice of a pre-decision administrative hearing on the application. Review-related costs are: (1) costs associated with a pre-decision hearing on the application, such as court reporter services and facility rentals for the hearing, and (2) mileage expenses for a site visit conducted before issuing a decision on the application. **Failure to enclose the initial application fee will cause the application to be returned. Fees for a Designation of Assured Water Supply or a Modification of a Designation of Assured Water Supply Application are authorized by A.R.S. § 45-113 and A.A.C. R12-15-103.**

Part I, Attachment I1

INITIAL APPLICATION FEE:

\$ 2000.00