



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.

ATTEST:



NEDDY MACIAS, Deputy City Clerk

 2-6-24
CATHEY RUSING, Chair