



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 GAMBONI 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 WRRC), 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 2-6-24
Cathey Rusing, Chairperson

ATTEST:

Neddy Macias, Deputy City Clerk