



# City of Prescott

## Council Subcommittee on Water Issues

March 4, 2025 | 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 09:31 a.m.

#### 2. ROLL CALL

Cathey Rusing, Chairperson  
Lois Fruhwirth, Member  
Ted Gambogi, Member (Excused)

#### 3. DISCUSSION & ACTION ITEMS

A. Approval of the February 4, 2025 Council Subcommittee on Water Issues Meeting Minutes.

**MOTION BY CHAIRPERSON RUSING TO APPROVE FEBRUARY 4, 2025 MINUTES; SECONDED BY MEMBER FRUHWIRTH: PASSED (2 - 0)**

B. Presentation & Discussion Regarding the 2022 Water Management Policy: Current Residential & Non-Residential Water Budget Overview for January 1, 2025 through February 20, 2025.

Brian Ruiz, Water Resources and Environmental Services Manager, presented the status of the water budget.

- **Water Budget Overview:** Per policy guidelines 11-13, a semiannual water budget is set for residential and non-residential use.
- **Current Budget (Jan 1 – June 30, 2025):**
  - Residential: 25 acre-feet
  - Non-residential: 25 acre-feet
- **Usage Update (as of Feb 20, 2025):**
  - **Residential:** No approvals or usage recorded; full 25 acre-feet remain.
  - **Non-Residential:** Only approved project is the Embry-Riddle Student Union, using 11.33 acre-feet. Remaining allocation: 13.67 acre-feet.

Chairperson Rusing asked if the development impact fees will go into effect in May.

Chelsea Walton, Community Development Director, responded that development impact fees became effective on January 1, 2025. However, a grace period was granted for projects that applied by December 31, 2024,

allowing them until June 30, 2025, to pull their building permits. Many applicants took advantage of this extension, and staff are currently working with them.

Mr. Ruiz continued his presentation, the projects under existing contracts are not included in the residential and non-residential water budgets but are tracked separately. As of February 20, 2025, seven projects have been approved under existing contracts, including six in an existing groundwater subdivision and one non-residential project. The total water allocated for these projects so far is 1.05 acre-feet. This provides an overview of the current water budget status for the year.

- C. **WSA25-008:** A Water Service Application for 7.62 Acre-feet Submitted by Granite Basin Engineering on Behalf of Owner Bradshaw Senior III Prescott LP. Location: APN 110-04-193X, 4745 N 7th St. Suite 110, Comprising 1.01 Acres.

Mr. Ruiz presented the water service application for the project located off Stetson Road near Bradshaw Drive. This is the third and final building of a senior living complex, consisting of 42 low-income housing units under a tax credit program. Granite Basin Engineering conducted a demand analysis, estimating the water demand for the building at 7.06 acre-feet.

Chairperson Rusing asked why the applicant did not use the usual apartment calculation of .12 acre-feet.

Mr. Ruiz responded that the water demand for the senior living complex was determined using a fixture count and the city's general engineering standards. If an engineer provides a more detailed analysis based on actual fixture usage, the city accepts it as a more accurate allocation method. While the standard allocation for apartments is .12 acre-feet per unit based on area-wide billing records, project-specific engineering estimates are preferred for greater accuracy. The project includes an estimated 0.56 acre-feet for landscaping, based on a drought-tolerant, low-water-use plant list. This brings the total water allocation for the project to 7.62 acre-feet.

Chairperson Rusing asked if there would be a lot of grading and what the plan is for storm water drainage.

Mr. Ruiz responded that as part of the permitting process, the project must comply with all general engineering standards for storm water control. This includes mitigating any storm water increases, ensuring drainage is discharged at historical locations, and maintaining discharge rates and velocities within acceptable limits. These requirements will be addressed as the project progresses through permitting.

Chairperson Rusing said she had questions for the applicant and was disappointed they were not in attendance at the meeting.

Member Fruhwirth recommended amending the original request to use the standard apartment calculation instead.

**MOTION BY MEMBER FRUHWIRTH TO FORWARD WSA25-008 TO COUNCIL FOR APPROVAL WITH A REVISED WATER ALLOCATION OF 5.6 ACRE-FEET; SECONDED BY CHAIRPERSON RUSING: PASSED (2 - 0)**

- D. **WSA25-009:** A Water Service Application for 13.58 Acre-feet Per Year Submitted by Michael Taylor Architects, on Behalf of Owner YH Development Properties, LLC. Location: APN 109-13-001D, 500 S Marina St., 8 Parcels Comprising 3.5 Acres.

Mr. Ruiz introduced the project that was before the Subcommittee last meeting and is back due to a change in the total number of units. The number of units previously was 90 units and now will be 106 units. This required a new water demand analysis, which estimates a total water usage of 13.24 acre-feet annually—exceeding 50% of the available water budget. Since this surpasses the threshold, the applicant must appeal, per city water policy. The appeal, including a justification letter outlining project benefits, is under review by the Water Issues Subcommittee. The project also receives credit for .33 acre-feet of prior usage based on billing records.

Member Fruhwirth commented that this project will go before council on April 8th and there will be more discussion with the full Council at that point.

Chairperson Rusing advised that the property is an eyesore and brings property values down in the neighborhood. She likes the new site plan and sees it as a better total use of the property. She asked how many floors each apartment building would contain.

Michael Taylor, Architect of the project, pointed out how many floors each apartment building would contain.

Dane Beck, project manager, commented that they are excited about the project. They have already spent a lot on abatement at the project site. They work hard to create viable projects with good tenants and are good neighbors. The units will be safe and attainable for people working in the area.

Member of the public Paul Landis commented that the previous 90-unit plan was approved by the Planning and Zoning Commission unanimously, but the new plan with 106 units was denied by a vote of the same body of 4-2.

Member of the public Marti Verrier questioned if this housing can fulfill workforce housing.

**MOTION BY COUNCILWOMAN FRUHWIRTH TO FORWARD WSA25-009 FOR A TOTAL OF 13.24 AF FOR 106 UNIT APARTMENTS TO COUNCIL FOR APPROVAL; SECONDED BY COUNCILMEMBER RUSING: PASSED (2 - 0)**

- E. Presentation, Discussion & Update Regarding PFAS and Scope of Request for Statement of Qualifications.

Steve Olfers, Utilities Manager, reviewed the latest water sample results for the fourth quarter of 2024. The Chino wells blend into EPDS 11, with individual well readings contributing to an overall level of 2.79 parts per trillion—remaining below the target of four parts per trillion. However, the airport wells operate independently without blending options. Among them, only Airport Well 5 remains problematic, which has been a known issue for some time.

Chairperson Rusing asked if there is a trend going up or down or staying the same.

Mr. Olfers responded small changes have been noticed but nothing substantial. He continued the presentation regarding a Request for a Statement of Qualifications advertised back in November and December of last year to seek assistance for the PFAS remediation study and recommendations. A mandatory pre-proposal conference was held in December, with 10 to 12 firms in attendance. Six firms submitted proposals, which were reviewed and scored by a selection committee. After evaluation, one firm was chosen, and the city is currently negotiating the scope and fee with them.

Chairperson Rusing asked if the prospective company has worked in the area often.

Mr. Olfers responded that they have worked in the area often.

Chairperson Rusing asked to clarify that airport well 5 is down flow from the airport and would it be better to stop using the well and drill a better well upstream from the airport.

Mr. Olfers responded that they are looking at the best cost-effective options.

Chairperson Rusing asked what the timeframe for the study is.

Mr. Olfers responded that the goal is to have a full report within 12 months but will also get chapters and updates on the report along the way as they become available.

Chairperson Rusing commented that there are many other chemicals out there and would like a system that captures as many chemicals as possible.

Member Fruhwirth added she would like to look at all the options to be able to add to the system as time goes on, and more information becomes available.

Chairperson Rusing commented that this issue is a problem nationwide and Prescott water is safe.

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

- F. Presentation & Discussion Regarding Potential Updates to the Water Service Applications and Water Policy Regarding Hazardous Materials.

Mr. Ruiz provided an update on proposed revisions to the Water Service Application regarding hazardous materials. He reviewed existing regulations, consulted with the city's water quality specialist, and aligned updates with the pre-treatment program, which regulates high-risk industries. To enhance oversight, he proposed adding checkboxes to the application to identify key industries early and improve communication with the pre-treatment department. While safeguards already exist, these changes aim to strengthen monitoring and prevent contaminants from entering the wastewater system. He presented draft language for review and welcomed feedback.

Chairperson Rusing commented that the application needs updating, and she is trying to close loopholes. She sees the document as a legal document. She suggested adding an "Other" category with a description field to accommodate applicants who may not fully understand classification terms. Additionally, she proposed making the hazardous materials question more specific by asking if any will be discharged into the sewer or storm water system and requiring details on filtration or mitigation plans. Finally, she recommended including a disclaimer stating that applicants, not the city, are responsible for the costs of removing hazardous materials before discharge. These updates would improve clarity, accountability, and early detection of potential risks.

Assistant City Attorney Chris Resare agreed with the need for specificity in the Water Service Application but suggested leaving certain sections more open. Specifically, he recommended that questions about potential materials be phrased in a way that accounts for uncertainties during construction, as applicants may not know all the details upfront but can anticipate possible issues. He emphasized the importance of protecting water resources and suggested that legal review the document once the proposed changes are made, so it can be presented at the next meeting.

Mr. Ruiz added he can bring back some wording for the application.

Member Fruhwirth commented that she agrees the application needs the updates discussed.

Rusing added that the water management policy language can be updated to match as well.

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

#### **4. GENERAL ANNOUNCEMENTS FROM STAFF**

Tracie Beasley Water Resources Project Manager introduced a brief look at social media campaigns currently ongoing. She is reviewing the analytics to see what is working and not working. Social media posts for rebate programs started in the fall with social media messages and then bringing awareness to water waste and water awareness. She reviewed upcoming water-related days and events.

Chairperson Rusing commented that an informed public can help understand water and be more aware.

Member Fruhwirth was surprised at how few people are using the new water app that

can bring awareness to their personal water usage.

Chairperson Rusing asked if the new water meters are being installed on the city buildings and facilities.

Mr. Olfers responded that, yes, new water meters are being installed on city buildings and monitored.

Mr. Ruiz reviewed water-related bills currently in the Arizona legislature and highlighted the following:

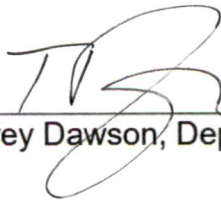
- **Big Chino Subbasin/Verde River Bill:** Proposes water transport, opposed by NAMWUA due to lack of supporting science.
- **Stormwater Recharge Bill (HB 2571):** Offers credits for stormwater recharge, but has made little progress.
- **Groundwater Pumping Bill (SB 1249):** Requires monitoring of non-exempt wells, which NAMWUA supports.
- **Water Sense Bill (HB 2319):** Seeks to remove water-efficient product regulations, opposed by NAMWUA.
- **Rural Groundwater Management Bill:** Aims to create new groundwater management areas, with concerns over surface and groundwater impact.

Chairperson Rusing added that the city's lobbyists are also watching these bills. There is a lot of politics with water and we need to work together.

## 5. ADJOURNMENT

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

ATTEST:



Torey Dawson, Deputy City Clerk



Cathey Rusing, Chair