

# City of Prescott

## Council Subcommittee on Water Issues



May 5, 2026 | 9:30 AM  
201 N Montezuma Street  
Council Chambers, 1st 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 Live Meeting Feed](#)

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

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION & ACTION ITEMS**
  - A. Approval of the April 7, 2026 Council Subcommittee on Water Issues Meeting Minutes.  
**Recommended Action: MOVE to approve the minutes as presented**
  - B. Presentation & Discussion Regarding the Amended 2022 Water Management Policy — Current Residential & Non-Residential Water Budget Overview for January 1, 2026 through April 23, 2026.  
**Recommended Action: This item is for discussion only. No formal action will be taken.**
  - C. Presentation & Discussion Regarding the 2025 Annual Water Withdrawal & Use Report.  
**Recommended Action: This item is for discussion only. No formal action will be taken.**
  - D. Presentation & Discussion Regarding a Progress Report for the Long-Term Water Management Plan.  
**Recommended Action: This item is for discussion only. No formal action will be taken.**

- E. Presentation & Discussion Regarding a Proposed Supermajority Voting Requirement For Changes to Portions of City Code 2-1-8 and Water Management Policy.  
**Recommended Action: This item is for discussion only. No formal action will be taken.**

**4. UPDATES & ANNOUNCEMENTS FROM STAFF**

- A. Presentation & Discussion Regarding Proposed Water Legislation Impacting the City of Prescott & Surrounding Areas.

**5. 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 5/1/26 at 11:00 a.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

*Sarah M. Thornhill*

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Sarah M. Thornhill, City Clerk



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: City Clerk  
ITEM #: 3.A  
SUBJECT: Approval of the April 7, 2026 Council Subcommittee on Water Issues Meeting Minutes.

## ITEM SUMMARY

This item is for the approval of the minutes from the April 7, 2026 Council Subcommittee on Water Issues meeting. Staff recommends approval of the minutes as presented.

## BACKGROUND

None.

## FINANCIAL IMPACT

There is no fiscal impact associated with this item.

## RECOMMENDED ACTION

MOVE to approve the minutes as presented

## ATTACHMENTS

1. April 7, 2026 WIS Minutes



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

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April 7, 2026 | 9:30 AM  
201 N Montezuma Street  
Council Chambers, 1st Floor  
Prescott, AZ 86301

**MINUTES**

**1. CALL TO ORDER**

Chair Rusing called the meeting to order at 9:30 a.m.

**2. ROLL CALL**

Chair Rusing  
Member Fruhwirth  
Member Garing

**3. DISCUSSION & ACTION ITEMS**

- A. Approval of the March 3, 2026 Council Subcommittee on Water Issues Meeting Minutes.

**MOTION BY MEMBER FRUHWIRTH TO APPROVE THE MARCH 3, 2026 MINUTES; SECONDED BY CHAIR RUSING: PASSED (3 - 0)**

- B. Presentation & Discussion Regarding the Amended 2022 Water Management Policy — Current Residential & Non-Residential Water Budget Overview for January 1, 2026 through March 25, 2026.

Water Resource Manager Brian Ruiz presented an update regarding the current residential and non-residential water budgets. As of March 25, 2026, one residential project (Lakeview Plaza project, an 82-unit multifamily development) was approved, using 8.46 acre-feet per year, leaving 16.54 acre-feet remaining in the residential budget. During the same time, five non-residential projects were approved administratively, using a total of 0.72 acre-feet per year, leaving 24.28 acre-feet remaining in the non-residential budget. Additionally, three projects (two single-family homes and one office tenant improvement) were approved under existing contracts; these are not counted toward the water budget and are included for reference only. Overall, water usage remains well within the allocated limits for both categories.

Chair Rusing questioned what the zero AFY indicated for the office shell buildout.

Mr. Ruiz clarified that the water service application was already approved but this is a tenant building and tenants are now starting to occupy the building, current tenants are office with warehouse space.

***This item was for discussion only. No formal action was taken.***

- C. **WSA26-007:** A Water Service Application Submitted by Michael Taylor Architects. Location: 130 N Cortez Street, APN 113-15-105A.

Mr. Ruiz presented WSA26-007 for review. The application is for a mixed-use residential and retail redevelopment project located at 130 N. Cortez Street. The proposal involves reuse of an existing four-story building, including approximately 3,000 square feet of retail space on the first floor, six short-term apartments on the second and third floors, and one residential unit on the fourth floor. Using Water Resources Management Model (WRMM) multipliers, staff estimated total annual water demand at 0.91 acre-feet, consisting of 0.89 acre-feet for residential use and 0.02 acre-feet for retail use. The building has shown no significant water usage over the past ten years, with a previously estimated demand of zero. No landscaping or outdoor water use is proposed. Upon approval, water allocation will be drawn from both residential and non-residential water budgets based on projected demand. This project previously received approval of a Special Use Permit from City Council on October 14, 2025, following recommendations from the Prescott Preservation Commission and Planning and Zoning Commission.

Collin Lovdahl with Michael Taylor Architects spoke regarding the project and confirmed the description of use for the building.

Member Fruhwirth asked for clarification on their definition of short-term apartments.

Mr. Lovdahl clarified that the apartments will be vacation rentals with laundry in each unit.

**MOTION BY MEMBER FRUHWIRTH TO RECOMMEND FORWARDING WSA26-007 TO COUNCIL FOR APPROVAL; SECONDED BY CHAIR RUSING: PASSED (3 - 0)**

- D. Presentation & Discussion Regarding the Calendar Year 2025 Water Rebate & Conservation Program.

Water Resource Project Manager Tracie Beasley provided an overview of the City's Water Conservation Rebate Incentive and Education Program for Calendar Year 2025, administered in accordance with City Code Chapter 3-10-8. The program promotes water conservation for residents and businesses through incentives such as turf removal, rainwater harvesting systems, irrigation efficiency upgrades, and indoor fixture replacements. In 2025, a total of 179 rebate applications (211 items) were approved, resulting in \$40,703 in rebates issued. These efforts contributed to an estimated annual water savings of 1,409,969 gallons (approximately 4.3 acre-feet), with significantly higher lifetime savings. Ms. Beasley highlighted program improvements, including updated code provisions, expanded eligibility (such as commercial fixtures), implementation of a new rebate tracking system, and enhanced data management practices. Outreach and education efforts also increased, with higher website traffic, community engagement, and expanded partnerships. Ms. Beasley noted continued efforts to improve program tracking, outreach, and long-

term water savings analysis moving forward.

Chair Rusing asked for clarification on why someone with a septic could receive a rebate.

Ms. Beasley explained that they use less water when they upgrade to water-efficient toilets and washing machines. It is still a benefit.

Member Fruhwirth asked why all applicants didn't receive a rebate.

Ms. Beasley clarified that some rebate applications were not approved because they were duplicates, not associated with city water service, included ineligible items, or were incomplete.

Chair Rusing asked if Prescott Valley has a rebate program also.

Ms. Beasley responded that they are developing one at this time.

Member Fruhwirth suggested coordinating with CDBG and incorporating water rebate options to better support community members and applauded the efforts to engage the community.

Member Garing commented that he likes the idea of reducing outdoor irrigation, would like to expand conservation efforts where possible.

Chair Rusing expressed her excitement with the positive results of the rebate program.

***This item was for discussion only. No formal action was taken.***

E. Presentation & Discussion Regarding the Big Chino Watershed Assessment.

Water Resource Project Manager Leslie Graser introduced Selena Pao, Northern Arizona Project Manager from the Nature Conservancy, who provided the presentation and facilitated discussion on the Big Chino Watershed Assessment project. The project stems from a Memorandum of Understanding approved by City Council on February 25, 2025, between the City and The Nature Conservancy to evaluate opportunities for grassland restoration and stream erosion reduction within the Big Chino Sub-basin. The presentation outlined several erosion control and restoration concepts under consideration, including bank sloping, reconnecting abandoned channels, plug-and-spread techniques, and upland restoration methods. These concepts are being evaluated for feasibility and effectiveness based on site conditions. A consultant team completed initial site investigations, including geotechnical testing to better understand soil conditions and inform design development. A draft design is anticipated by May 2026, with final design expected in September 2026. Next steps include identifying necessary permitting requirements and coordinating with project partners to move toward implementation.

Chair Rusing asked whether overgrazing is still occurring on the property.

Ms. Graser clarified that there is an active land lease for cattle grazing and it is managed very well to prevent overgrazing.

Member Fruhwirth asked whether the project is limited to City of Prescott land or if it also includes neighboring properties.

Ms. Pao responded that at this time they are focusing on City of Prescott land.

Mr. Ruiz added that next year's water resource budget, which would help advance this project to the next stage, has not yet gone through the approval process, but emphasized that it is important.

Member Garing commented that he agrees with the options chosen for erosion control based on his experience as well.

***This item was for discussion only. No formal action was taken.***

#### **4. UPDATES & ANNOUNCEMENTS FROM STAFF**

- A. Presentation & Discussion Regarding Proposed Water Legislation Impacting the City of Prescott & Surrounding Areas.

Mr. Ruiz provided an update on the 2026 State Legislative Session related to water issues, as tracked by the Northern Arizona Municipal Water Users Association (NAMWUA). NAMWUA reviewed a total of 69 water-related bills to determine positions of support, opposition, or neutrality. As of late March 2026, 41 of the tracked bills were no longer active, while 28 remained under consideration. NAMWUA has taken positions supporting 11 bills, opposing 16, and remaining neutral on one bill. Staff highlighted several bills of interest that may impact local jurisdictions, including legislation related to stormwater recharge mapping, municipal water supply, land division disclosures, and restrictions on rates and fees. The update was provided for informational purposes and to keep the Council informed on potential state-level impacts on local water policy and operations.

- B. Presentation & Discussion Regarding the Water Resource Management Model (WRMM) Information Sheet.

Mr. Ruiz introduced the Water Resource Management Model (WRMM) Information Sheet, the fifth informational document prepared as part of the Long-Term Water Management Plan project. The information sheet supports the City Council's Strategic Plan 2025–2029, specifically Strategy #3 (Infrastructure), which focuses on ensuring safe and reliable potable water through comprehensive planning related to infrastructure, distribution, conservation, and system safety. The effort also incorporates stakeholder engagement as a key component of the strategy development process. He noted that the city began releasing project information sheets in July 2025 to inform and engage the

public. The WRMM Information Sheet is available on the City's website and the Participate Prescott platform for public access and review.

Chair Rusing commented she was surprised how many accounts we have in Chino Valley and asked how much AFY is supplied to Chino Valley.

Ms. Graser confirmed that figure is included in the information sheet.

Chair Rusing asked if Chino Valley water customers are charged the 30% surcharge and if expansion is expected to use City of Prescott water system.

Member Garing asked if they could receive a copy of the current IGA's mentioned in the information sheet.

Member Fruhwirth agreed the city should be included in conversations regarding growth even outside of city limits.

**5. ADJOURNMENT**

There being no further business to discuss, Chair Rusing adjourned the meeting at 11:03 a.m.

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CATHEY RUSING, Chair

ATTEST:

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Torey Dawson, Deputy City Clerk



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: Community Development  
ITEM #: 3.B  
SUBJECT: Presentation & Discussion Regarding the Amended 2022 Water Management Policy — Current Residential & Non-Residential Water Budget Overview for January 1, 2026 through April 23, 2026.

## ITEM SUMMARY

This item is for a review and discussion regarding the current residential and non-residential water budgets, including projects that have received approval for water between January 1, 2026 through May 23, 2026.

## BACKGROUND

The Amended 2022 Water Policy, Guidelines 11-13, established a semi-annual water budget for residential and non-residential projects. The budget set for January 1, 2026, through June 30, 2026, for residential projects is 25 acre-ft/year and the budget set for non-residential projects is 25 acre-feet per year.

Between January 1, 2026, and April 23, 2026, two residential projects were approved by Council (Water Policy Guideline 2). The projects were the Lakeview Plaza 82-unit multifamily development and the Embry Riddle Modular Dorms development, totaling 11.08 acre-feet per year. The remaining water in the residential budget is 13.92 acre-feet per year of water.

Between January 1, 2026, and April 23, 2026, seven non-residential projects were approved administratively (Water Policy Guideline 2) and the Prescott Plaza Hotel development was approved by Council, totaling 6.97 acre-ft/year of water. The total remaining non-residential budget is 18.03 acre-feet per year.

Between January 1, 2026, and April 23, 2026, eight projects were approved under existing contracts. These included seven single-family homes located within existing subdivisions, one tenant improvement project for office use, and the 80-unit South Ranch Phase 1B subdivision within the Deep Well Master Plan area. Projects under existing contracts are not included in the water budget and are provided only for reference (Guideline 9).

## FINANCIAL IMPACT

There is no fiscal impact associated with this item.

## RECOMMENDED ACTION

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

## ATTACHMENTS

1. Water Budget Presentation



**WATER POLICY TRACKING TABLE  
APPROVED PROJECTS**

<b>NON-RESIDENTIAL PROJECTS</b>							
	<b>PROJECT TYPE</b>	<b>DESCRIPTION</b>	<b>PERMIT NUMBER</b>	<b>ADRESS</b>	<b>AFY</b>	<b>APPROVAL TYPE</b>	<b>DATE APPROVED</b>
1	NON-RESIDENTIAL	Seventh Day Adventist School	B2404-092	2980 Willow Creek Road	0.03	ADMIN-COMMERCIAL UNDER 1.5 AFY	1/3/2025
2	NON-RESIDENTIAL	Hair Salon	Pending	3227 Lakeside	0.19	ADMIN-COMMERCIAL UNDER 1.5 AFY	1/6/2026
3	NON-RESIDENTIAL	RV and Self Storage Facility	B2511-104	6725 Airport Ave	0.2	ADMIN-COMMERCIAL UNDER 1.5 AFY	1/29/2026
4	NON-RESIDENTIAL	Office Shell Buildout	Pending	2222 Cirrus Dr	0	ADMIN-COMMERCIAL UNDER 1.5 AFY	1/29/2026
5	NON-RESIDENTIAL	Service Garage	B2312-063	2206 Cirrus Ave	0.3	ADMIN-COMMERCIAL UNDER 1.5 AFY	1/30/2026
6	NON-RESIDENTIAL	Oral Surgery Center	B2603-010	3005 Dollar Mark Way	0.75	ADMIN-COMMERCIAL UNDER 1.5 AFY	3/26/2026
7	NON-RESIDENTIAL	Deep Well Commercial Developer	Pending	Jenna Lane and Hwy 89	27.9*	COUNCIL	4/14/2026
8	NON-RESIDENTIAL	Prescott Plaza Hotel	Pending	140 Montezuma	5.5	COUNCIL	4/14/2026
9							
10							
11							
12							
13							
14							
15							
16							

TOTAL APPROVED	6.97
TOTAL BUDGET	25.00
TOTAL REMAINING	18.03

\*Deep Well Commerical - Approved for 27.9 AFY, per Water Policy, this amount does not come out of the water budget.

**WATER POLICY TRACKING TABLE  
APPROVED PROJECTS**

**APPROVED UNDER EXISTING CONTRACT**

	PERMIT TYPE	# OF RES UNITS	PERMIT NUMBER	ADDRESS	AFY	APPROVAL TYPE	EXISTING ENTITLEMENT	DATE APPROVED	DEMAND METHOD	
1	RESIDENTIAL	SFR-Forest Ridge at Hassayampa	1	B2512-125	2115 Forest Mountain Rd.	0.17	N/A EXISTING CONTRACT/AGREEMENT	Forest Ridge at Hassayampa	1/13/2026	WRMM MULTIPLIER
2	RESIDENTIAL	SFR - Westhill Club at Forest Trls.	1	B2602-061	1422 Vale Ln.	0.17	N/A EXISTING CONTRACT/AGREEMENT	Westhill Club at Forest Trls.	2/23/2026	WRMM MULTIPLIER
3	NON-RESIDENTIAL	TI Change of Use to Office	0	B2506-088	101 N Mt Vernon	0	ADMIN-COMMERCIAL UNDER 1.5 AFY	WSA26-006	2/27/2026	WRMM Multiplier
4	RESIDENTIAL	South Ranch Phase 1B	80	FNP25-005	5970 Willow Creek Road	13.6	N/A EXISTING CONTRACT/AGREEMENT	WSA26-010	4/3/2026	WRMM MULTIPLIER
5	RESIDENTIAL	SFR - CROSSINGS AT WILLOW CREEK	1	B2601-089	420 ROBIN DR.	0.17	N/A EXISTING CONTRACT/AGREEMENT	CROSSINGS AT WILLOW CREEK	3/27/2026	WRMM MULTIPLIER
6	RESIDENTIAL	SFR - EAGLE RIDGE UNIT 2	1	B2510-070	1560 EAGLE MOUNTAIN DR.	0.17	N/A EXISTING CONTRACT/AGREEMENT	EAGLE RIDGE UNIT 2	3/16/2026	WRMM MULTIPLIER
7	RESIDENTIAL	SFR - Westhill Club at Forest Trls.	1	B2603-028	1408 VALE LN.	0.17	N/A EXISTING CONTRACT/AGREEMENT	Westhill Club at Forest Trls.	3/12/2026	WRMM MULTIPLIER
8	RESIDENTIAL	SFR - QUAIL HOLLOW UNITS 1 & 2	1	B2603-109	595 SYCAMORE CANYON	0.17	N/A EXISTING CONTRACT/AGREEMENT	QUAIL HOLLOW UNITS 1 & 2	4/2/2026	WRMM MULTIPLIER
9										
10										
11										
12										
13										
14										
15										
16										
17										
18										
19										
20										

	Number of Projects	Res Units	AF
Total Residential	7	86	14.62
Total Non-Residential	1	0	0.00
Totals	8	86	14.62

*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: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: Public Works  
ITEM #: 3.C  
SUBJECT: Presentation & Discussion Regarding the 2025 Annual Water Withdrawal & Use Report.

## ITEM SUMMARY

This item is for a presentation of key information from the City's 2025 Annual Water Withdrawal and Use Report, submitted to the Arizona Department of Water Resources (ADWR) on March 31, 2026.

## BACKGROUND

The City of Prescott is located within the Prescott Active Management Area (Prescott AMA) which includes the Town of Chino Valley, Town of Prescott Valley, parts of Unincorporated Yavapai County, the Town of Dewey-Humbolt, and the Yavapai-Prescott Indian Reservation. The Groundwater Code requires the City, as a water service provider, to report annual pumpage to ADWR. Reported water volumes include groundwater pumped, reclaimed and recharged effluent, and surface water. Annual withdrawal fees are assessed for groundwater withdrawn at \$2 per acre-foot. Fees are used to offset the cost of resource management and to fund conservation projects within the Prescott AMA. The City reported a total groundwater pumped for 2025 of 6,161 acre-feet and paid total withdrawal fees of \$12,321.72. Staff will provide a presentation regarding reporting requirements to ADWR and a summary of the 2025 report.

## FINANCIAL IMPACT

There is no fiscal impact at this time.

## RECOMMENDED ACTION

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

## ATTACHMENTS

1. ADWR Annual Report Presentation

# Council Subcommittee for Water Issues

May 5, 2026

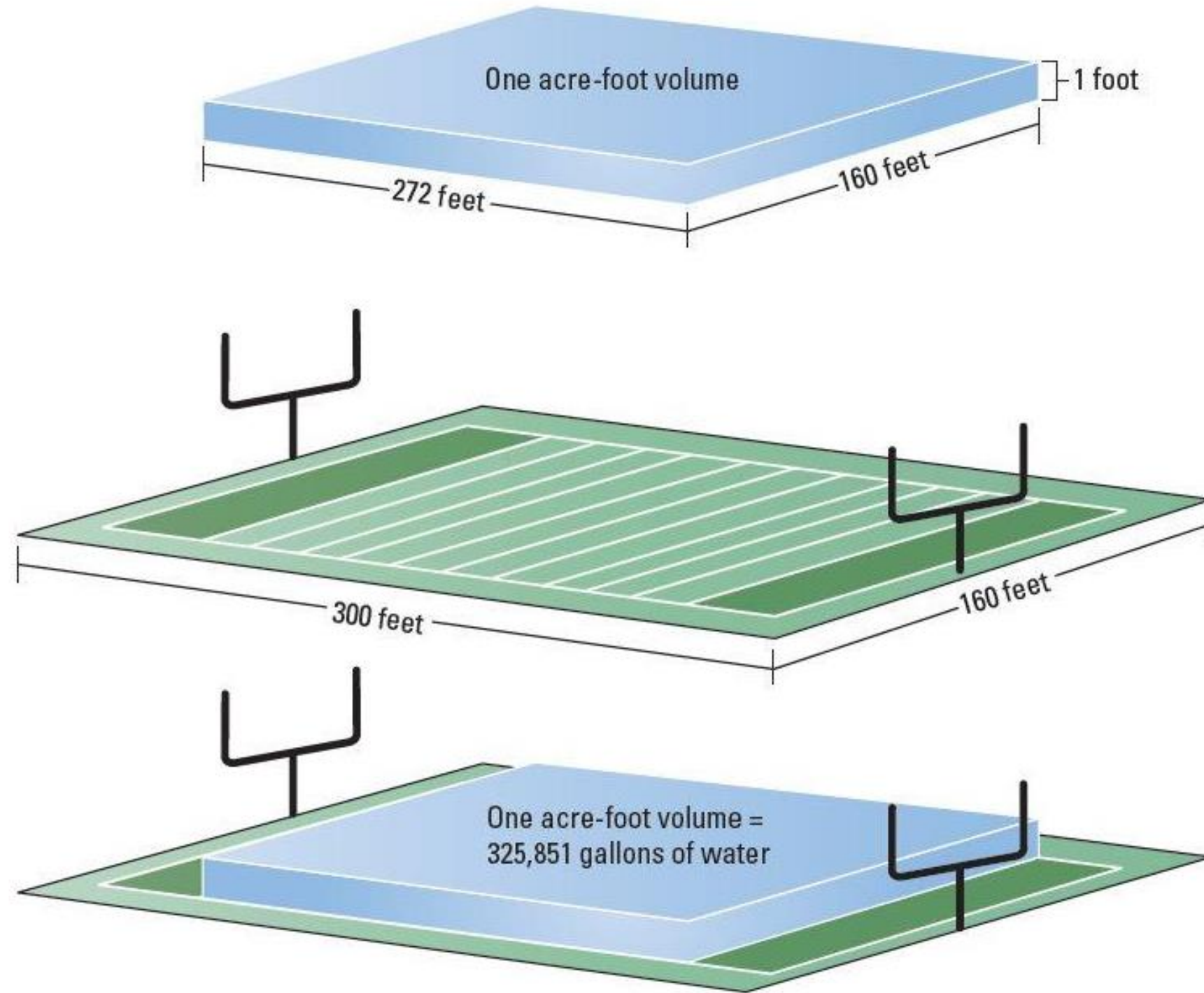
**Brian Ruiz**  
**Water Resource Manager**



## ADWR Water Withdrawal & Use Annual Report

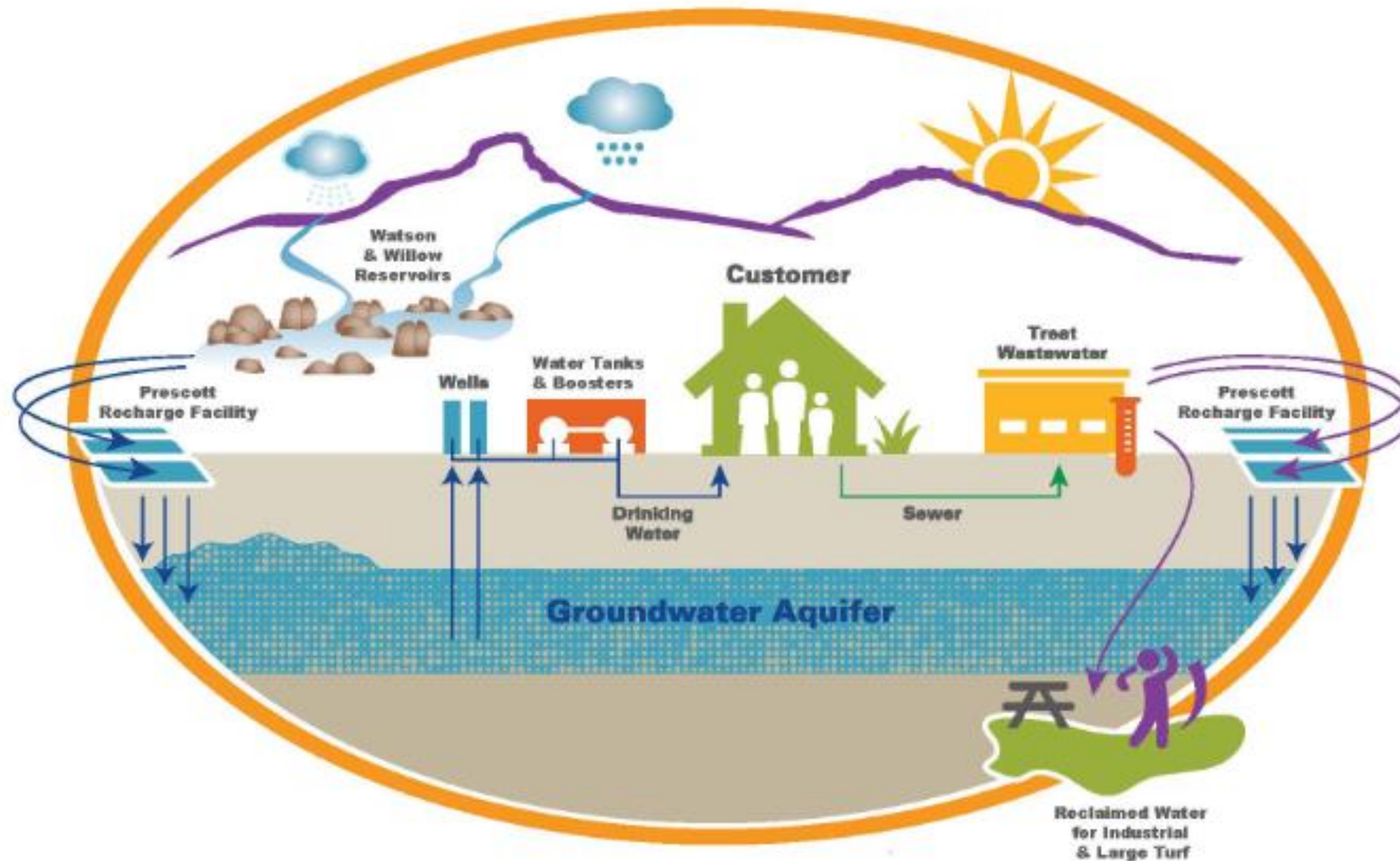


# Acre-foot



Modified from Colorado State University, <https://waterknowledge.colostate.edu/water-management-administration/water-uses/>

# City Water Supplies

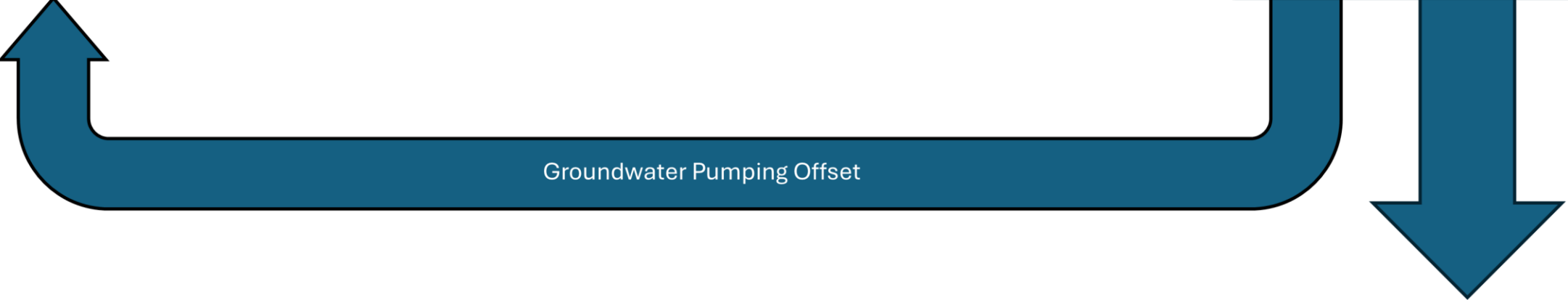
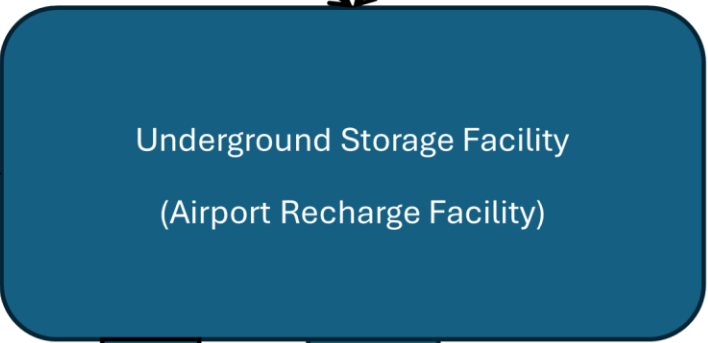
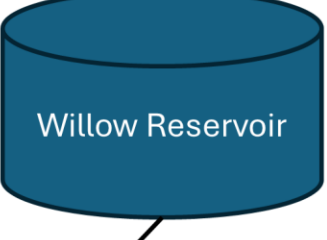
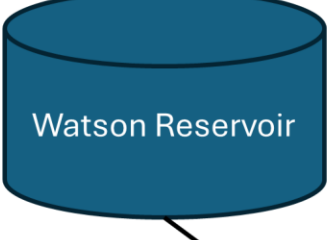
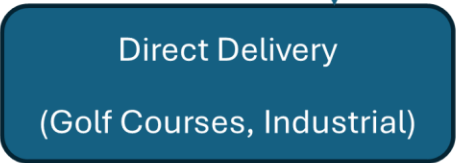
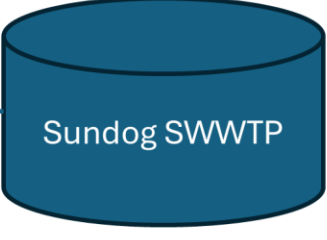
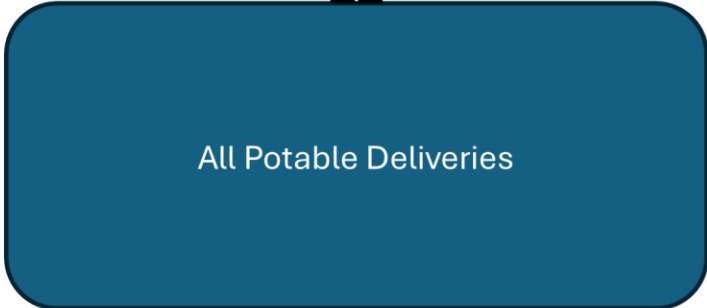


# City Water Supplies

Production Wells

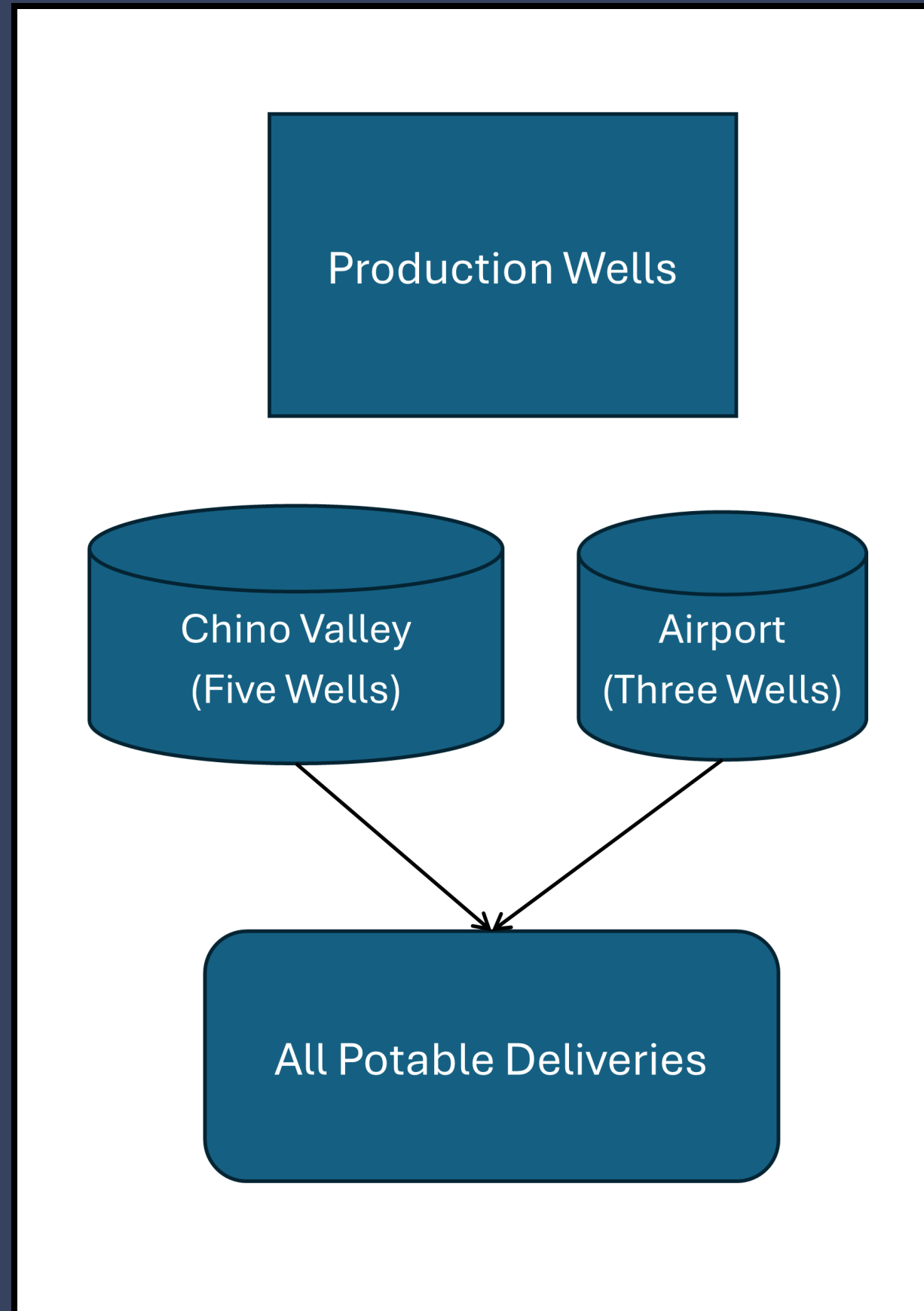
Treated Effluent

Surface Water



Long Term Storage Credits  
Non-Recoverable Recharge

# Production Wells



- Eight Active Wells
  - Six Used for Production
- 
- Total Pumped: 7,293 AF
  - Total Deliveries: 6,763 AF

# Deliveries

## Deliveries to Customers:

Potable Deliveries: 6,763 AF

## Deliveries to Other Rights

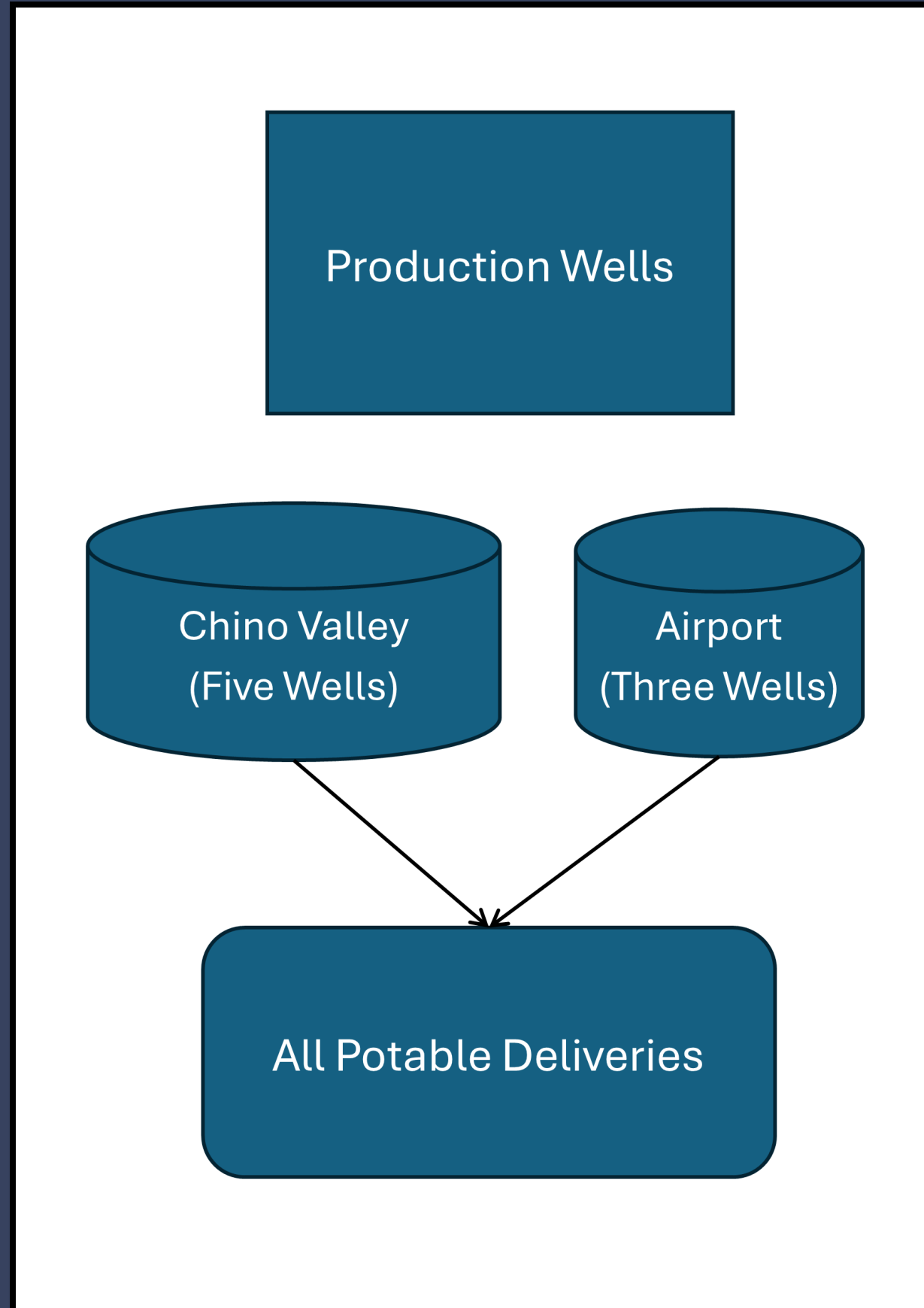
Highland Pines

Holiday Hills

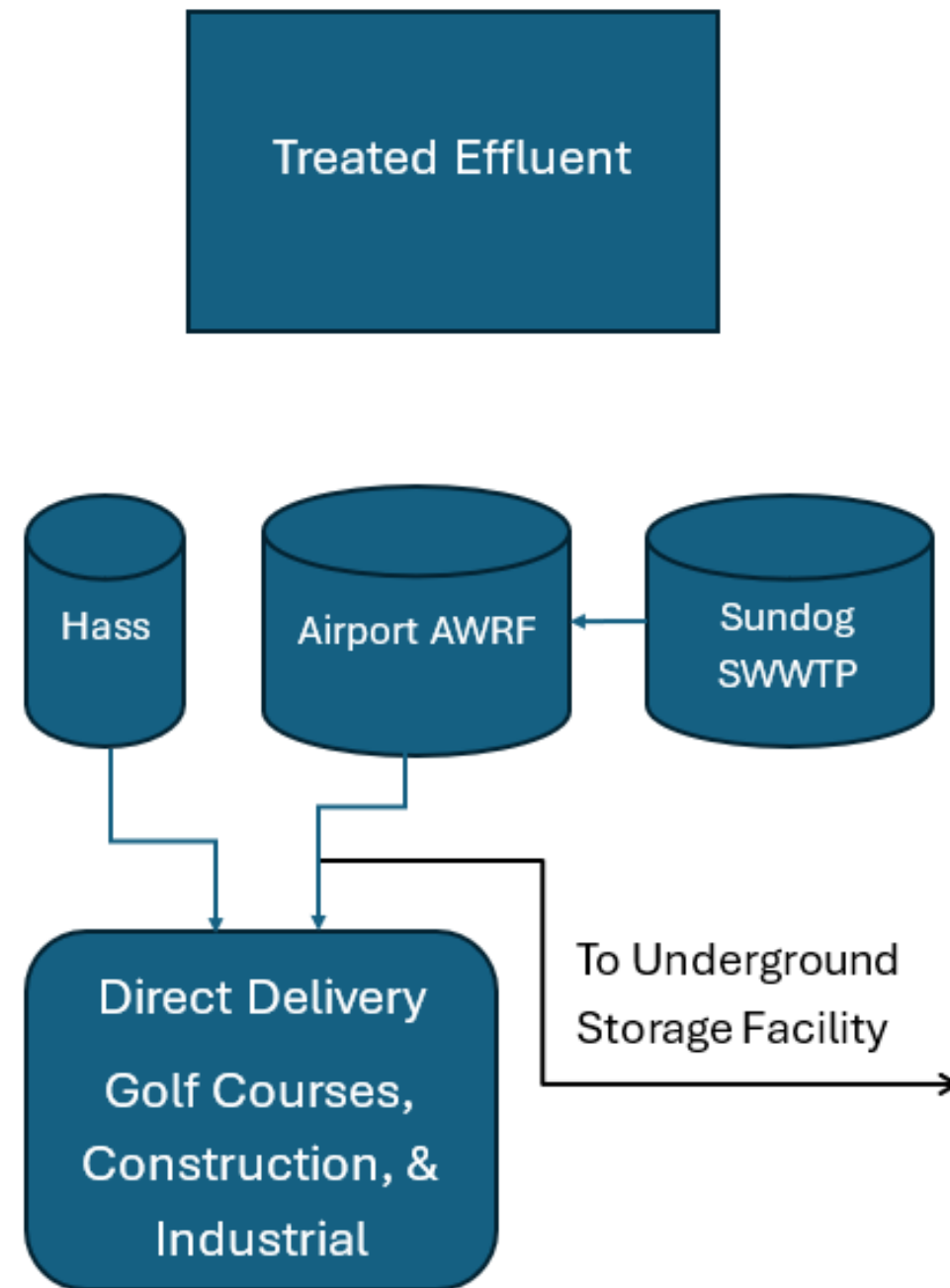
Granite Park HOA

Total: 40AF

Potable Supplies = 7293 AF - 40AF = 7253 AF



# Treated Effluent



## Treatment Facilities:

- Airport Water Reclamation Facility
- Sundog Wastewater Treatment Plant
- Hassayampa Wastewater Treatment Plant

- Total Treated: 4,655 AF
- Total Effluent Deliveries: 2412 AF
- Delivered to Recharge Facility: 2,243 AF

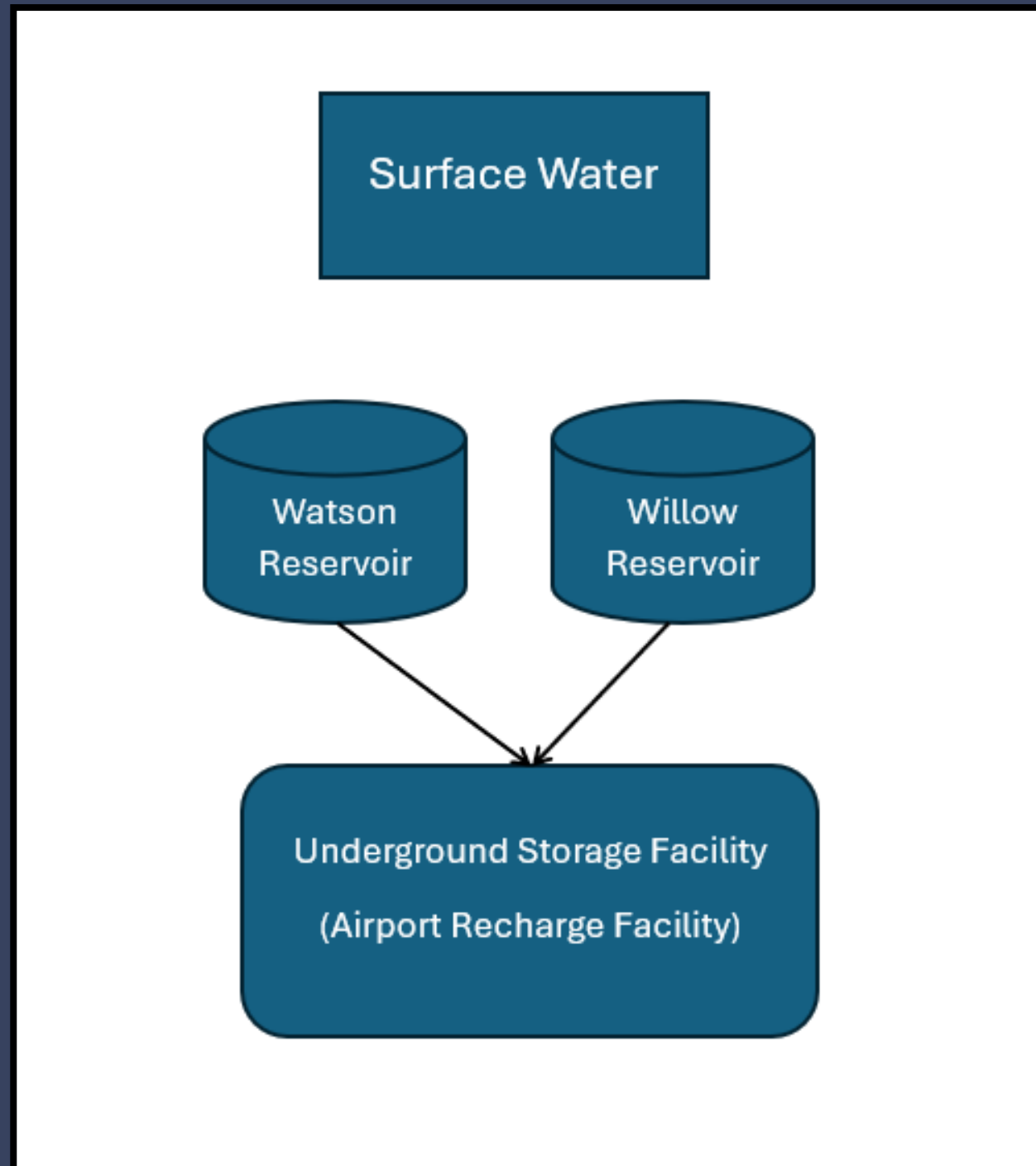
# Surface Water

## Sources:

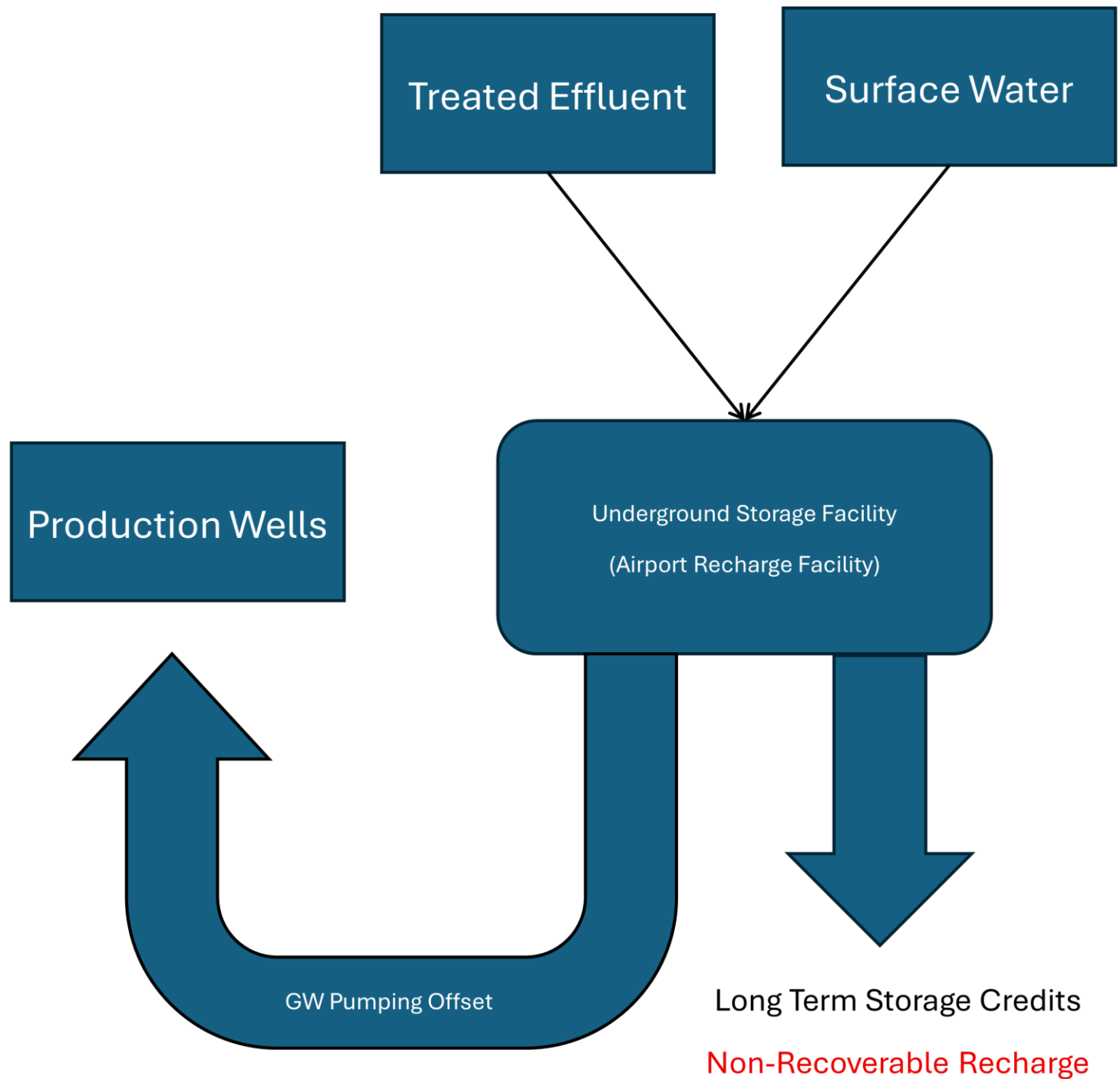
- Watson Reservoir
- Willow Reservoir

Recharge Period April 1 through November 1

Surface Water Recharge: 21 AF

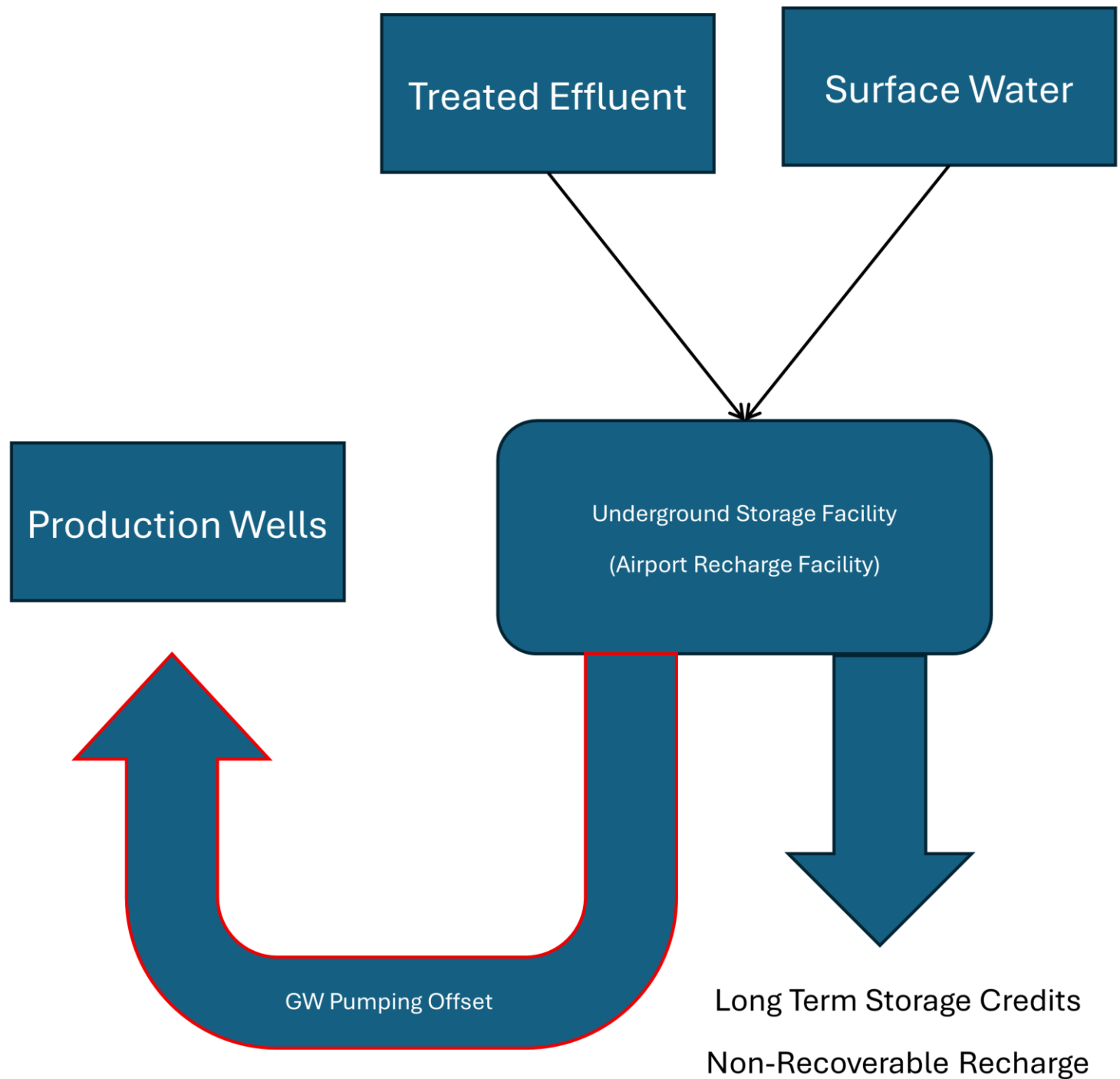


# Use of Recharge



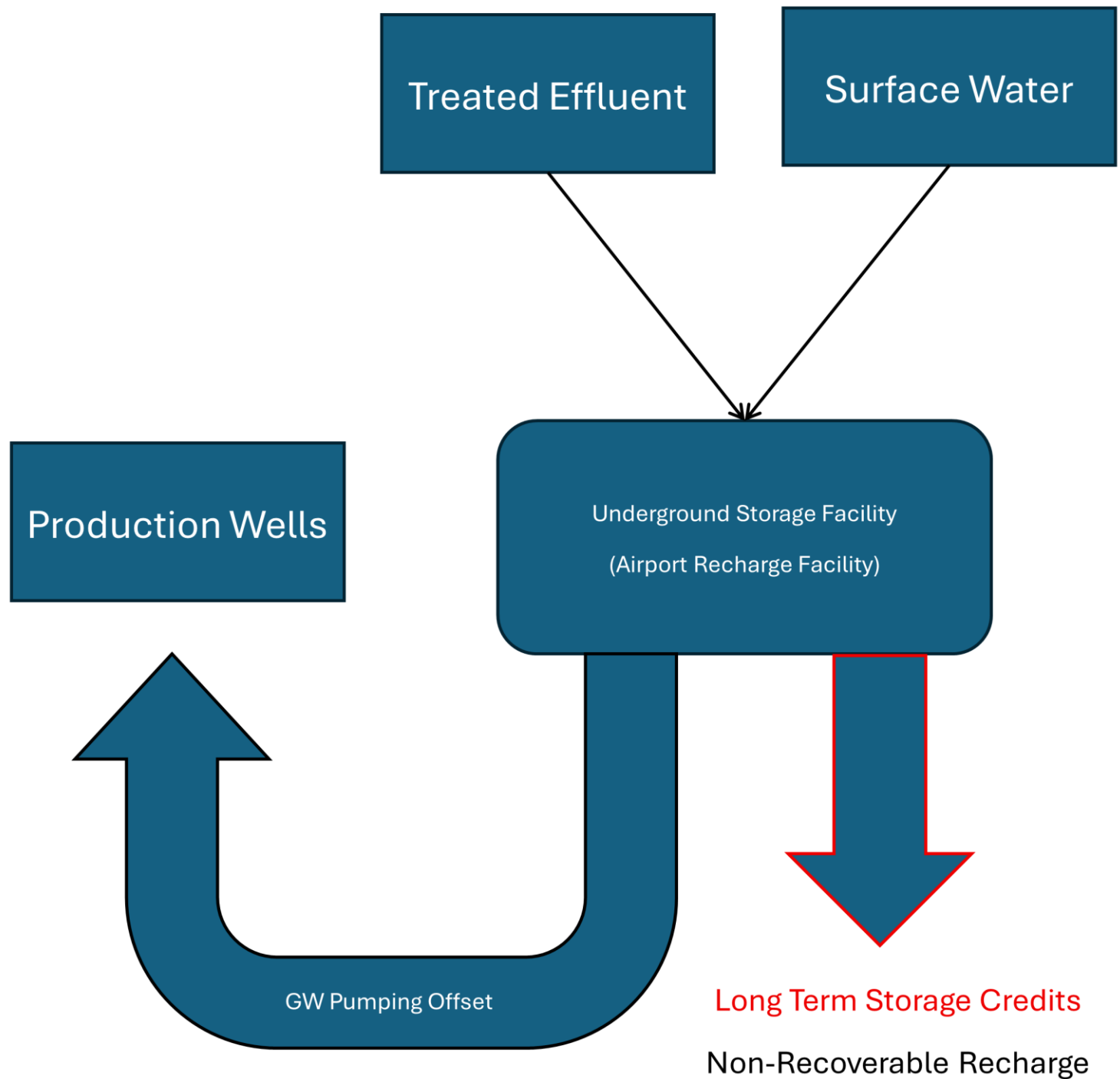
- 1) Non-Recoverable Recharge (Prop 401)
  - Subtract out 139 AF of Non-Recoverable Recharge

# Use of Recharge



- 1) Permanent Recharge (Prop 401)
  - Subtract out 139 AF of Non-Recoverable Recharge
- 2) Offset groundwater pumping (Recovered Water)
  - Surface Water - Must be recovered the year recharged
  - Treated Effluent - Can be recovered or;

# Use of Recharge



- 1) Permanent Recharge (Prop 401)
  - Subtract out 139 AF of Non-Recoverable Recharge
- 2) Offset groundwater pumping (Recovered Water)
  - Surface Water - Must be recovered the year recharged
  - Treated Effluent - Can be recovered or;
- 3) Convert to Long Term Storage Credits (LTSC)

For 2025 we split Treated Effluent:

- 111 AF Recovered
- 993 AF LTSC

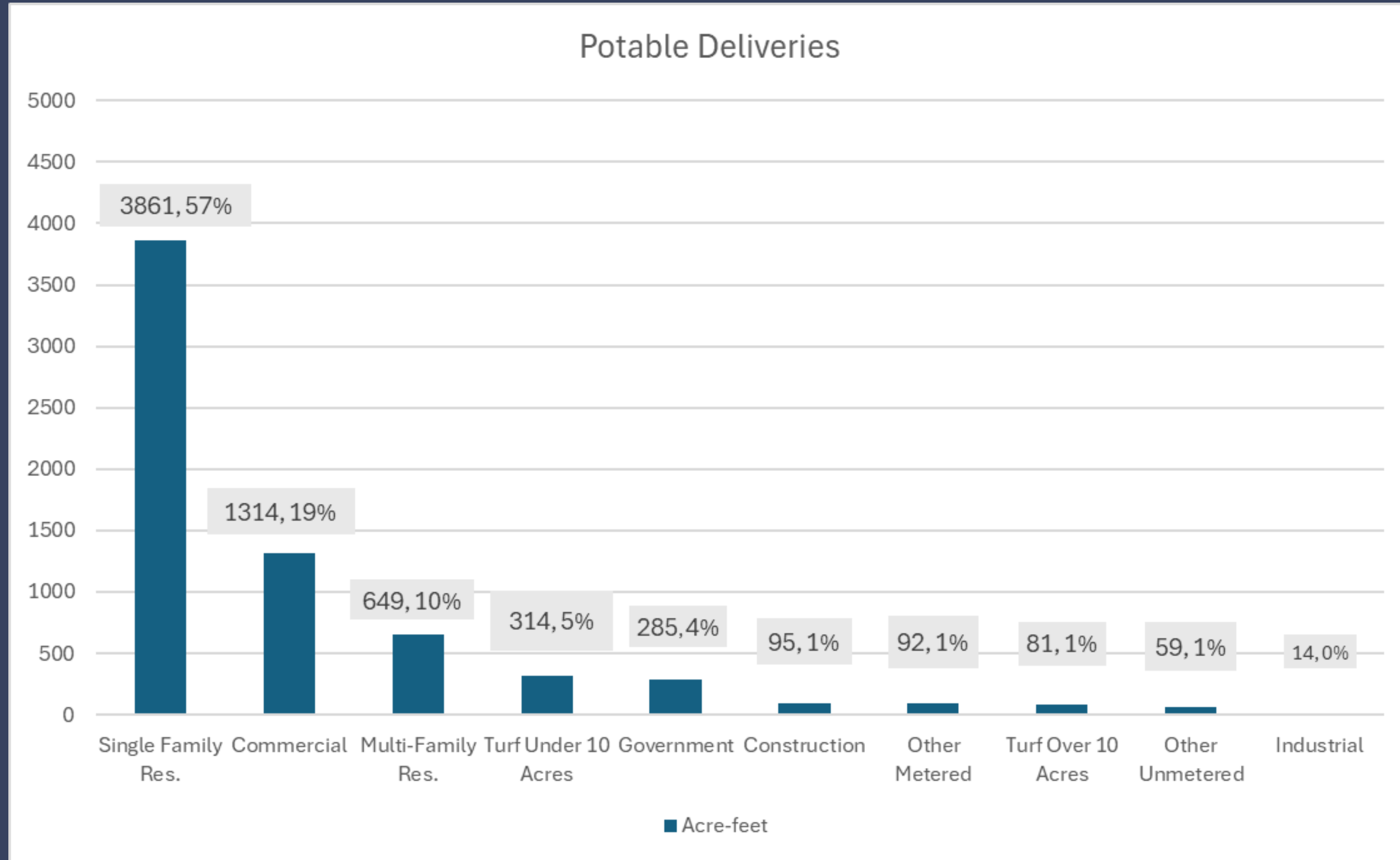
# Lost and Unaccounted For Water

- Potable Supplies : 7253 AF
- Potable Deliveries: 6763
- Lost and Unaccounted for Water:  
6.76%

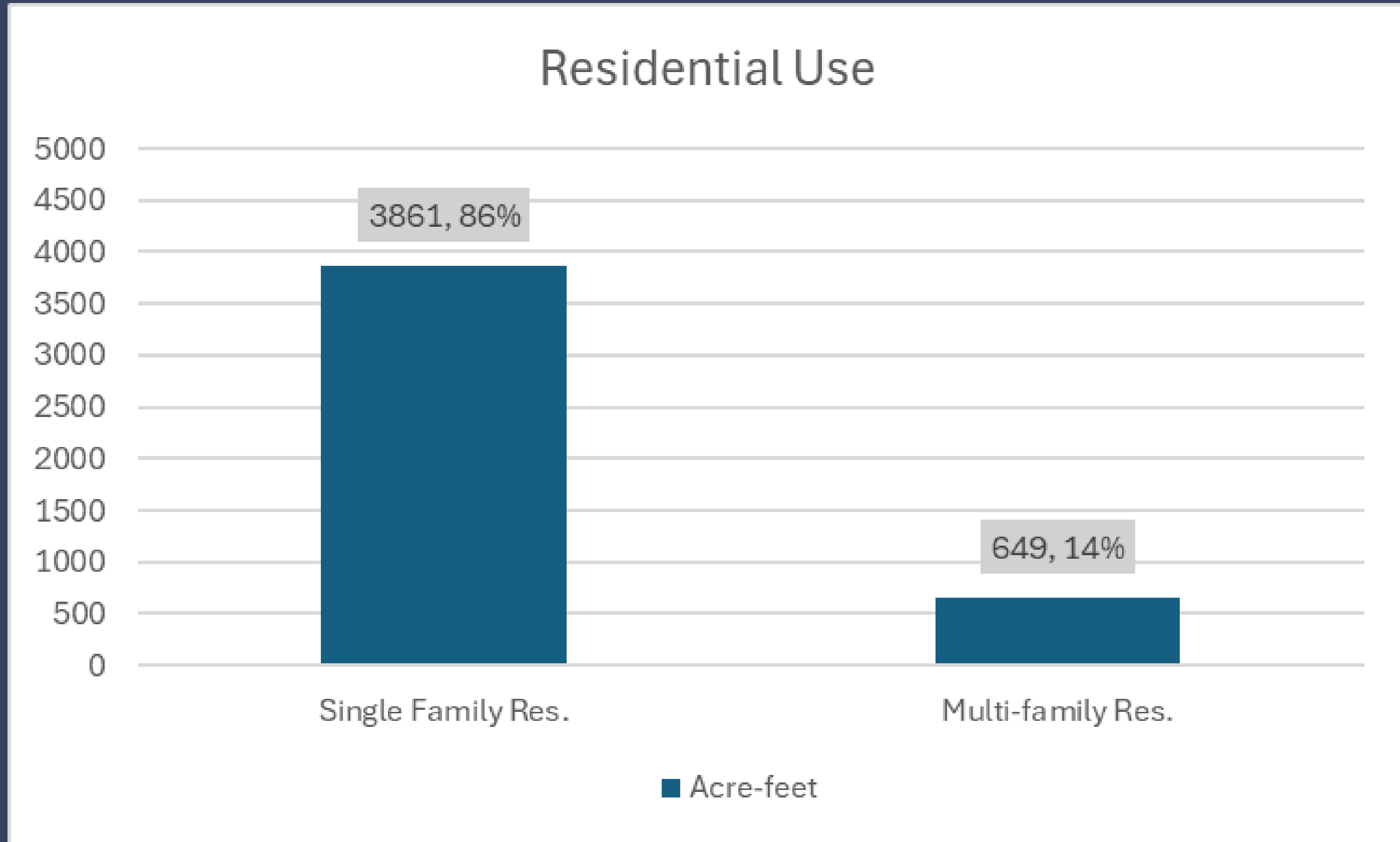
# Annual Report Summary

	2024 (Acre-Feet)	2025 (Acre-Feet)
<b>TOTAL PUMPED</b>	<b>7,292</b>	<b>7,293</b>
<b>TOTAL DELEVIERIES</b>	<b>6,580</b>	<b>6,763</b>
<b>TOTAL TREATED EFFLUENT</b>	<b>4,676</b>	<b>4,655</b>
<b>TOTAL SURFACE WATER</b>	<b>1,161</b>	<b>21</b>
<b>TOTAL RECHARGE</b>	<b>3,612</b>	<b>2,264</b>
<b>NON-RECOVERABLE RECHARGE</b>	<b>125</b>	<b>139</b>
<b>RECHARGED - RECOVERED</b>	<b>2,363</b>	<b>1132</b>
<b>RECHARGE – LONG TERM STORAGE CREDIT</b>	<b>1,124</b>	<b>993</b>
<b>TOTAL GROUNDWATER PUMPED/WITHDRAWN</b>	<b>4,928</b>	<b>6,161</b>
<b>TOTAL WITHDRAWL FEES TO ADWR</b>	<b>\$9,861.06</b>	<b>\$12,321.72</b>

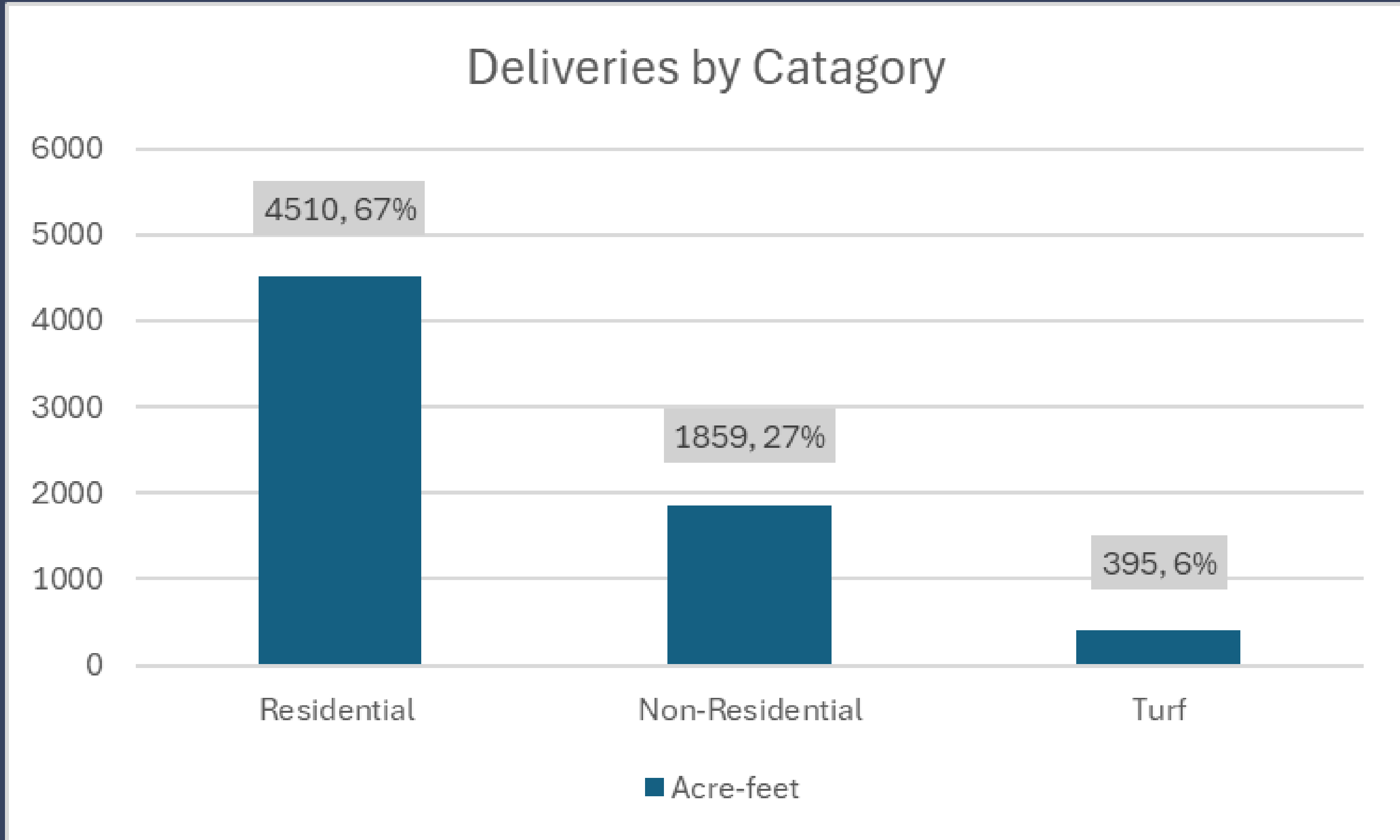
# Deliveries



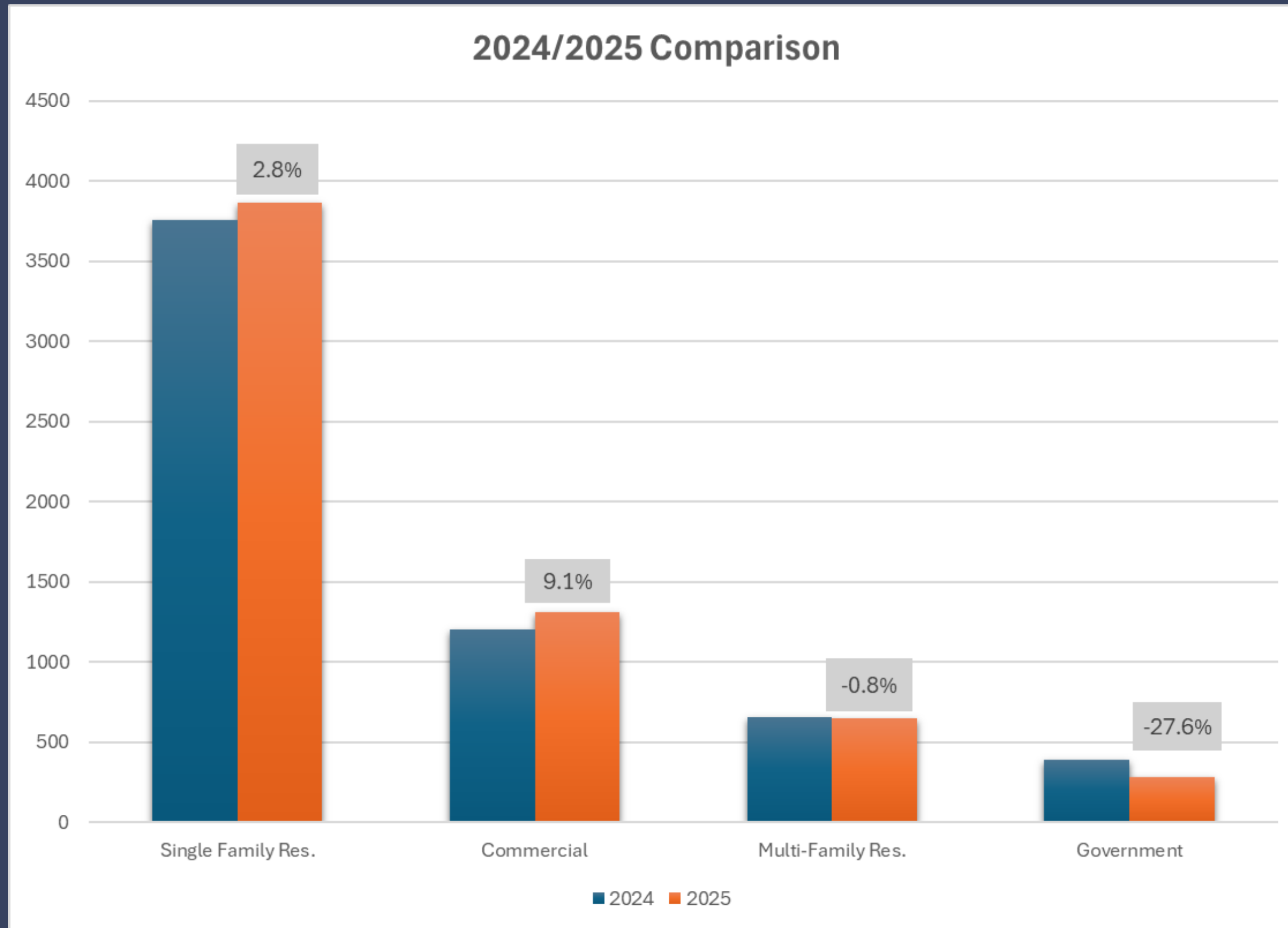
# Deliveries



# Deliveries



# Deliveries



# Questions?



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: Community Development  
ITEM #: 3.D  
SUBJECT: Presentation & Discussion Regarding a Progress Report for the Long-Term Water Management Plan.

## ITEM SUMMARY

This item is for staff to provide a progress report on the development of the City's Long-Term Water Management Plan.

## BACKGROUND

The last update to the Council Subcommittee for Water Issues was on February 3, 2026, and to the City Council at the November 18, 2025, Study Session.

For ongoing project information, the City maintains the [City's website](#), and the [City's Participate Prescott website](#). The latest project information sheet, *Water Resource Management Model* was available on the websites in April 2026. Water Resource Management staff is also available for questions by email, phone, or in-person.

## FINANCIAL IMPACT

Project funding is budgeted and available in the Public Works Department FY26 Water Budget, as well as available through the United States Bureau of Reclamation's Water Management Planning, Water Conservation Field Services Program (R24AS00252) grant.

## RECOMMENDED ACTION

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

## ATTACHMENTS

1. Progress Report Presentation



# LONG-TERM WATER MANAGEMENT PLAN

## PROGRESS REPORT

Presenter: Leslie Graser

Council Subcommittee for Water Issues

5/5/2026



# AGENDA

- Project Updates
- Technical Memos

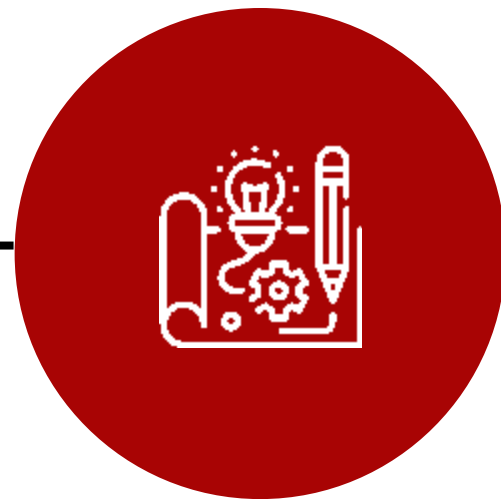


# Project Updates

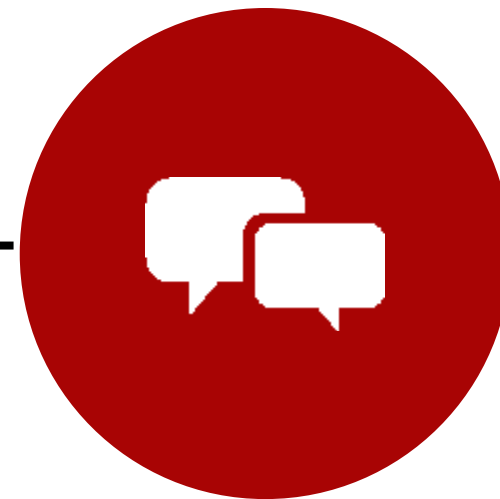
This project is being completed with three consultants: **Herb Dishlip Consulting** (supply and demand trends, projections, outreach, etc.), **Carollo Engineering** (infrastructure, demand management, stormwater, report compilation, etc.), and **Matrix New World** (hydrology and groundwater modeling). The infrastructure element (Carollo) was placed into contract in January 2026 - at this time, the city continues to compile requested data for their work. Dishlip's work (supply and demand) will inform both Carollo's and Matrix's work requirements.



Contracted  
Work



Grant Progress  
Report



Outreach



Technical  
Memos

# Technical Memo 1 - City Baseline

## Conditions - demands, supplies, and legal

### Point 1

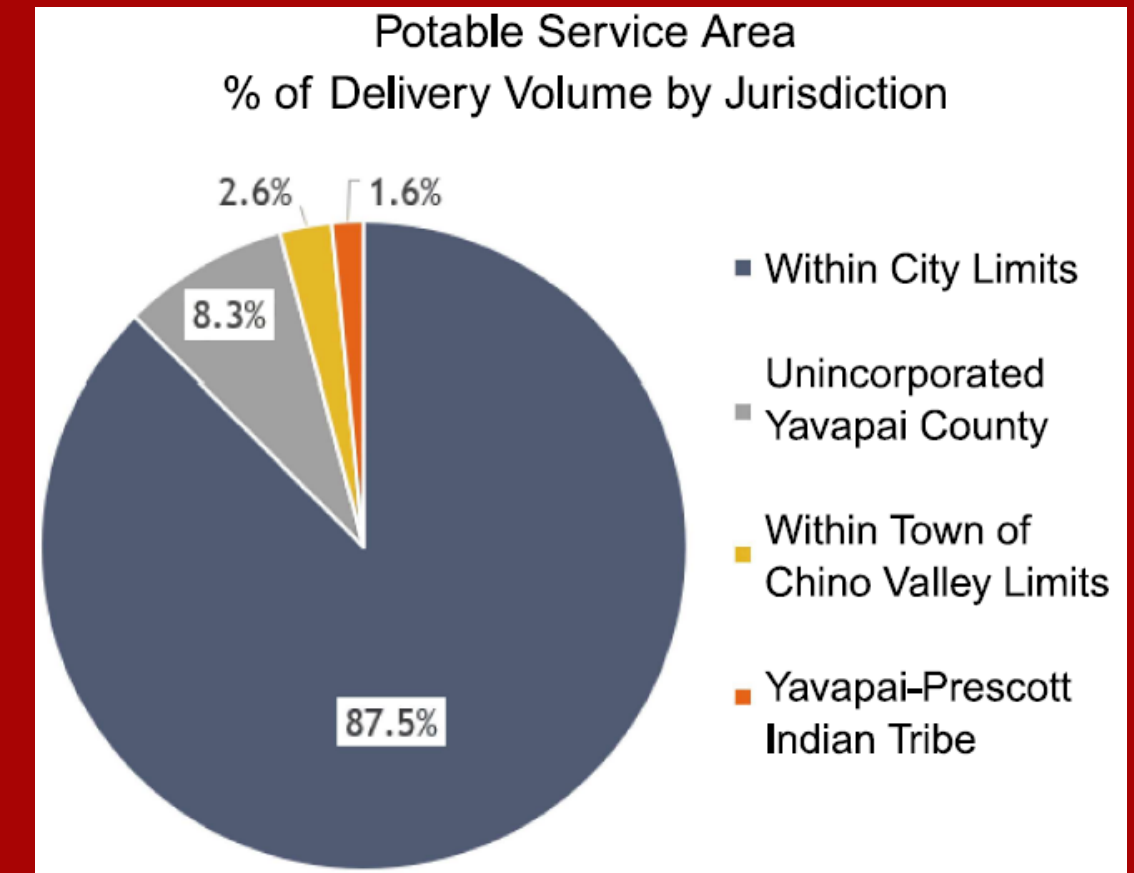
Collaborative work of Herb Dishlip Consulting and the City of Prescott. Estimated completion April/May 2026. Draft will be provided to Carollo for their use, and to the technical group for review.

### Point 2

The majority of this work has been presented either at Council or Council Subcommittee meetings. Key data has been translated into Long-Term Water Management information sheets (see slide 9)

### Point 3

The better the project's baseline data, the more informative the 10-, 25-, and 50-year projections will be.



Percentage Pumped by Legal Classification by Year

Year	Groundwater	Surface Water Recovery	Reclaimed Annual Recovery
2015	49%	46%	5%
2016	77%	17%	6%
2017	33%	61%	6%
2018	69%	17%	14%
2019	37%	49%	14%
2020	45%	40%	15%
2021	63%	21%	16%
2022	24%	55%	21%
2023	23%	54%	23%
2024	68%	16%	16%

# Technical Memo 2 - Water Demand Projections, WRMM-based scenarios

## Point 1

Collaborative work of Herb Dishlip Consulting and the City of Prescott. Water Demand Projects have an estimated completion of April/May 2026. Draft will be provided to Carollo for their use, and to the technical group for review.

## Point 2

Although there is a Long-Term Water Management information sheet on the Water Resource Management Model (see slide 9), it is solely a introduction to the tool.

## Point 3

This work relies on the City's water obligation documents and the estimated timeframe when water will be served. The information in this tech memo will be presented to the Council at an upcoming meeting.



# Technical Memo 3 - Water Demand Management Practices

## Point 1

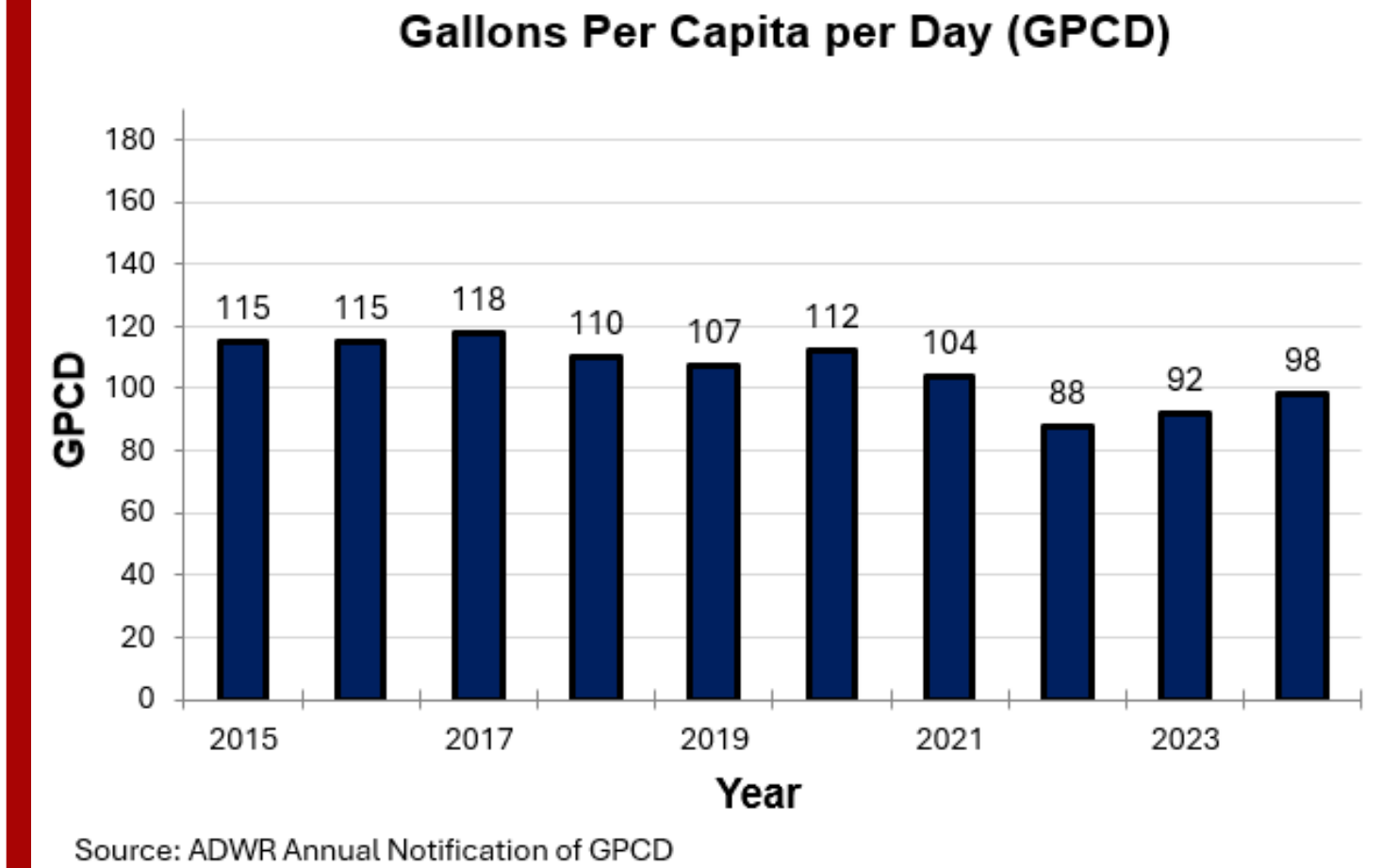
Work is being prepared by the City. The contents of the tech memo include the City's conservation history, conservation measures (rebate program and codes), GPCD, etc.

## Point 2

In part, due to the conversion of the rebate program tracking from an outside vendor to a City maintained system, work remains underway. The technical memo completion date is TBD.

## Point 3

The Long-Term Water Management Plan (LTWMP) Phase 1 will investigate the potential to meet demands without the addition of another water source.



### Water Conservation Rebate Application

**City of Prescott**

For additional assistance, contact us at: 928-777-1405

Water Rebate Applications may be filled out ONLINE at: [prescottwater.com/rebates](http://prescottwater.com/rebates)

MAIL or HAND DELIVER your application, receipts, and photos (if applicable) to:  
Community Development, 201 N. Montezuma St, Prescott, AZ 86301  
OR EMAIL a digital copy to: [watersmartrebates@prescott-az.gov](mailto:watersmartrebates@prescott-az.gov)



# Technical Memo 4 - Prescott AMA hydrogeology and modeling study

## Point 1

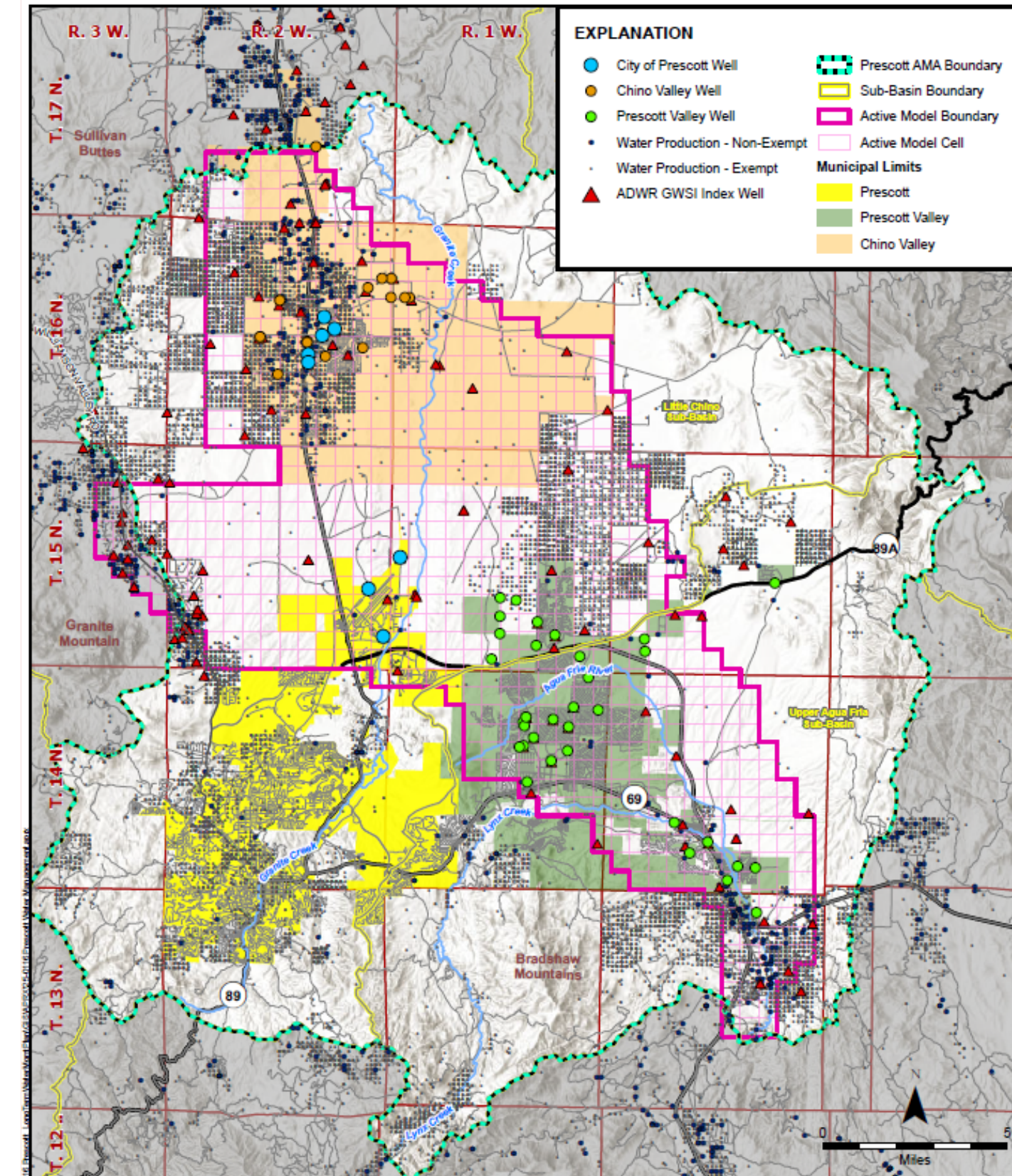
The Matrix New World contract was finalized in November 2025. Groundwater modeling work will commence once supply and demand projections are completed to use by both Matrix and Carollo.

## Point 2

Draft mapping work is underway (see right). A series of maps are being developed to show how pumping of water supplies needed to meet the 10-, 25- and 50-year demands will possibly affect the groundwater system.

## Point 3

The tech memo will help city water customers and regional partners understand the hydrogeologic conditions and the effects of future pumping (associated with the City's demands).



DRAFT

# Technical Memo 5 - Big Chino

## Sub-basin Study

### Point 1

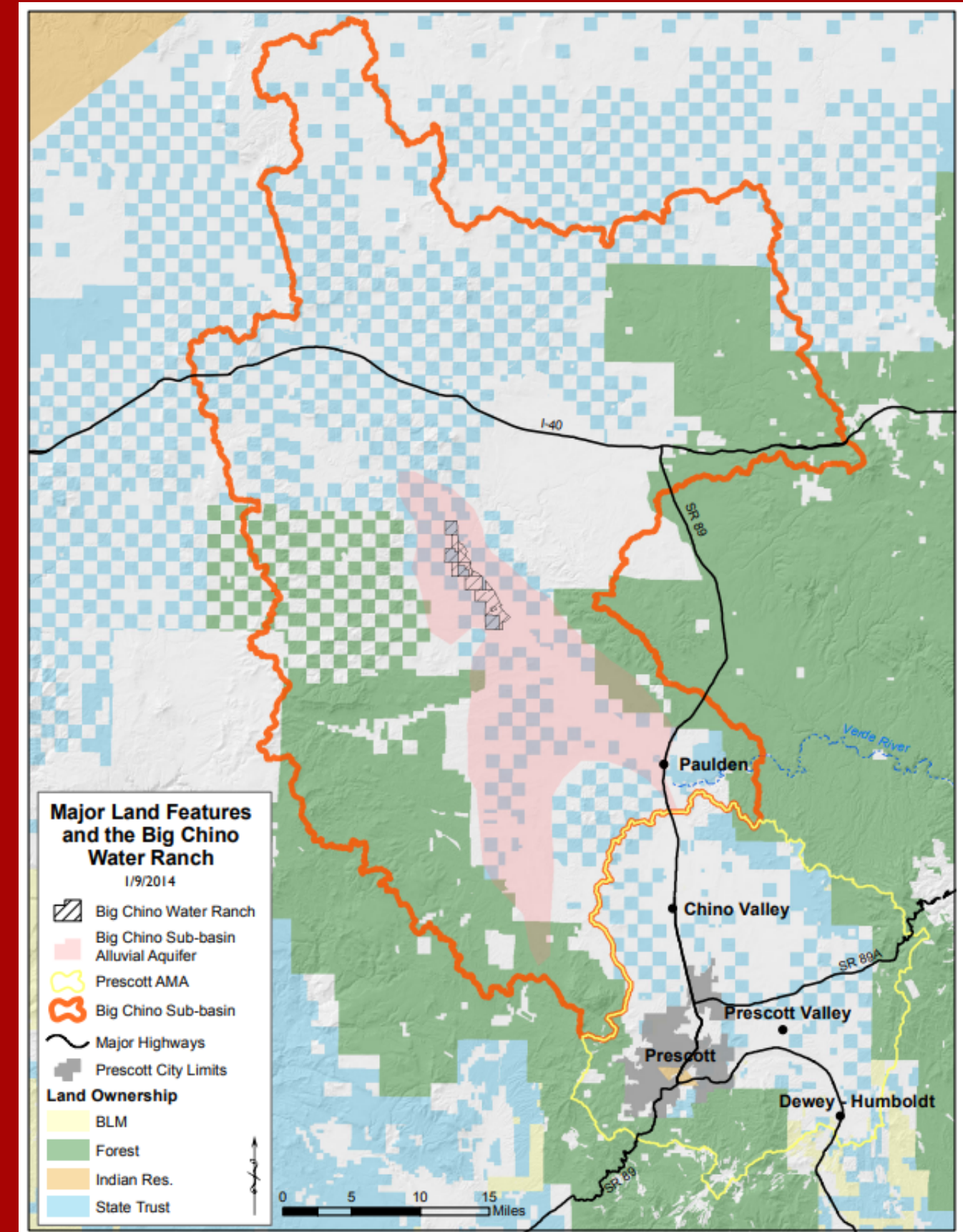
The work is being prepared by Matrix New World. The tech memo is anticipated in late May 2026.

### Point 2

Broad summary of the hydrogeology in the Big Chino Sub-basin with an emphasis on the City-owned Big Chino Water Ranch.

### Point 3

A 2024 baseline water level map with hydrographs for selected wells that include calculated trendlines for the period 2015-2024. Neither this tech memo nor the Long-Term Water Management Plan (LTWMP) Phase1 include groundwater modeling.



# Technical Memo 6 (TBD) - Outreach

## Point 1

The Carollo contract allows for the addition of a sixth technical memo. The City is discussing if this will be requested.

## Point 2

Currently, as data is compiled, reviewed, and share at Council and Council Subcommittee meeting, it is then prepared into project information sheets (see right). These are available on the City's website and Participate Prescott. They are also taken to outreach events (SciTech, Farmer's Market, YCCA show, etc.).

## Point 3

The stakeholder engagement and outreach was envisioned in the USBR grant and then extended in the City Council Strategic Plan 2026-2031. Subsequent decisions were made to focus the Long Term Water Management Water Management Plan into a Phase 1 and Phase 2 as part of contracting with Carollo. It appears to lead to stakeholder engagement being more conducive as part of Phase 2. This is because the City is likely to have more information available at that time.



# Thank You





TO: MAYOR AND CITY COUNCIL  
AGENDA: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: Community Development  
ITEM #: 3.E  
SUBJECT: Presentation & Discussion Regarding a Proposed Supermajority Voting Requirement For Changes to Portions of City Code 2-1-8 and Water Management Policy.

## ITEM SUMMARY

This item is for a requested discussion regarding potential changes to Council voting rules that would require a supermajority of Council to make changes to certain portions of City Code 2-1-8 and the Water Management Policy.

## BACKGROUND

Council Subcommittee on Water Issues Chairperson Rusing requested that staff provide a discussion item to explore changes to voting rules to require a supermajority of Council to vote for changes to the following items:

- Changes to City Code 2-1-8 Part C.1.a, which reads as follows: Pursuant to an intergovernmental agreement with the federal government or any federal department or agency, Indian tribes, the state of Arizona, any other state, all departments, agencies, boards and commissions of this state or any other state, counties, school districts, fire districts, cities, towns, and municipal corporation. The City will not enter any intergovernmental agreement for water service outside City limits with water improvement districts or other specially created districts.
- Changes to City Water Management Policy that would remove the water budget from the policy.
- Any other changes to City Code 2-1-8 or Water Budget that the Subcommittee would like to explore.

City Code 2-1-8 and Section 5a2: Water Budget from the current Water Management Policy have been provided for reference as attachments A and B respectively.

## FINANCIAL IMPACT

There is no fiscal impact associated with this item.

## RECOMMENDED ACTION

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

## ATTACHMENTS

1. Attachment A
2. Attachment B

**2-1-8 UTILITIES DIVISION; PROVISION OF WATER TO AREAS OUTSIDE OF THE CITY LIMITS; RULES AND REGULATIONS:**

(A) Water Service: Water will be furnished to users subject to rules and regulations adopted by the City Council. Those rules and regulations, including the City Code and City of Prescott Water Management Policy, are made a part of every permit, application, license, contract, or other agreement entered into with the City.

(B) Return of Water: Potable water will not be provided to any project that will not return to the City's sanitary sewer system at least seventy-five percent (75%) of the water served.

(C) Water Outside the City Limits:

1. New water connections may only be made outside of the City limits as follows:

(a) Pursuant to an intergovernmental agreement with the federal government or any federal department or agency, Indian tribes, the state of Arizona, any other state, all departments, agencies, boards and commissions of this state or any other state, counties, school districts, fire districts, cities, towns, and municipal corporation. The City will not enter any intergovernmental agreement for water service outside City limits with water improvement districts or other specially created districts; or

(b) One single-family residential dwelling unit on a single parcel of land that connects to a City water main and a City sewer main. All wells on the parcel requesting City water and sewer services shall be abandoned through Arizona Department of Water Resources.

2. Applicants for service outside the City of Prescott jurisdictional limits are responsible for the extension of all utility infrastructure necessary to serve their property, unless exempt by prior agreement with the City of Prescott.

(D) Pursuant to A.R.S. § [49-204](#), gray water reuse is prohibited for those properties receiving City sewer service. (Ord. 4856-1313, 5-28-2013; Ord. 2019-1696, 11-19-2019; Ord. 2020-1712, 4-28-2020; Ord. 2022-1787, 4-26-2022)

water shall require resubmission of a new WSA application for the revised project, which will be evaluated according to the current Water Management Policy and Water Budget, if applicable.

8. Redevelopment of property that will result in less total water use will not require an application. In the event the redevelopment requires more water than its existing use, it shall apply for additional water following the current procedures in the Water Management Policy and the current Water Budget. Any request for additional water shall be included in the Water Budget.
9. Any property that holds a water Contract within the City limits to receive water, will be required to submit a WSA application. This request will be reviewed and tracked administratively. All such requests shall be presented to the Water Issues Subcommittee and the Council semi-annually in January and July as a discussion/information item and shall not be included in the Water Budget.
10. All new development projects shall connect to and be served by the City sewer system prior to physical delivery of any water service by the City.

#### Section 5a2: Water Budget

11. The Council shall set the Water Budget semi-annually at its last meeting in June and December of each year. Unallocated residential and non-residential budgets from the previous six-month period may be rolled into the following six-month budget; however, each must stay in their original classification. A roll-over of the budget from the previous six-month period may occur for the 4 budget periods (2 years) from the time of policy adoption.
12. A Water Budget for new residential development shall be created for the period of January to June each year. An additional Water Budget shall be created for the period of July to December each year. This Water Budget quantity is available for projects other than those already entitled to water by an existing Contract. Administratively approved projects (No. 2) shall be included in the residential Water Budget.
13. A Water Budget for non-residential development shall be created for the period of January to June each year. An additional Water Budget shall be created for the period of July to December each year. All non-residential uses with a water estimate greater than 1.5 AFY will be reviewed by the Water Issues Subcommittee and Council for consideration, while taking into account the estimated water use and the benefits to the City offered by the proposed water use. Administratively approved projects (No. 2) shall be included in the Water Budget.
14. No single WSA application will be approved for water usage estimates greater than 50% of the remaining semi-annual Water Budget. Projects that request more than 50% of the remaining semi-annual water budget may:
  - a. File a WSA application to be considered when the next Water Budget is available.
  - b. Appeal the 50% rule. The applicant shall demonstrate the benefits to the City such as job creation, wages, sales tax, economic impacts, or other benefits to the City.

All such requests shall be reviewed by the Water Issues Subcommittee and the Council. If City Council grants an appeal, the amount of water granted in the appeal would be included in the annual water assessment to City Council.

15. Any applicant for development and/or water service may acquire and present for consideration sufficient “extinguishment credits” to support their development. The volume of the credits will be required to meet the calculated 100-year demand for water. The project must connect to a municipal sewer system before water supplies are provided. (*Attachment 6*)

### Section 5a3: Existing Contracts

16. Single-family residential lots within a platted subdivision are not required to submit a WSA application.
17. Water supplies associated with an existing Contract shall not be amended to increase the number of lots or volume of water used. Any such proposal to increase the number of lots or volume of water shall require resubmission of a new WSA application for the revised project, which will be evaluated according to the current Water Management Policy and Water Budget, if applicable.

### Section 5a4: Water Outside City Limits

18. No new water service outside the City limits shall be approved except as provided in Prescott City Code 2-1-8 (c) (*Attachment 8*). Commitments to serve water outside City limits within existing Contracts will be met. In addition to PCC 2-1-8(c) contracts for water service outside City limits shall contain performance criteria appropriate to the project, including a performance completion date.

### Section 5b: Prescott City Code Reference

During the 2018-2019 timeframe, not only was the water management policy changed, but many city codes were removed related to how water would be managed, i.e. allocated and tracked. The City’s overall guiding water management principles, with the intent of meeting ADWR regulations to reduce reliance on groundwater supplies, were set aside. Below are City Codes that exist as of June 2023. These help support this bridge policy until a City long-term water management plan is developed, and while the City’s DAWS remains under review.

Remaining Prescott City Code references existing in June 2023 are listed to support this policy. Only PCC Land Development Section 7.4.8F and G are expanded to support the Council request to continue a “City Water Management Policy” and “Prescott Water Budget” within the 2024 Water Management Policy until its updated Designation of Assured Water Supply is complete or another condition sets forth new water management practices.

### Section 7.4 Subdivision and Land Split Design Standards

#### Sections 7.4.8 Water Supply

- F. Assured Water Supply



TO: MAYOR AND CITY COUNCIL  
AGENDA: May 5 Subcommittee on Water Issues  
DATE: May 5, 2026  
DEPT: Community Development  
ITEM #: 4.A  
SUBJECT: Presentation & Discussion Regarding Proposed Water Legislation Impacting the City of Prescott & Surrounding Areas.

## ITEM SUMMARY

This item is to provide a review of the water legislation proposals for 2026 and the positions taken by Northern Arizona Municipal Water Users Association (NAMWUA).

## BACKGROUND

The City of Prescott is a member of the Northern Arizona Municipal Water Users Association (NAMWUA), which reviews State Legislation pertaining to water issues and identifies legislation that specifically impacts the association members. For the 2026 Legislative Session, NAMWUA has reviewed 69 water-related bills to recommend support, opposition, or remain neutral. This discussion will provide the current status of the 2026 water legislation that could have an impact at the state and local levels.

## FINANCIAL IMPACT

There is no fiscal impact at this time.

## RECOMMENDED ACTION

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

## ATTACHMENTS

1. Water Legislature Updates\_Presentation

# *Water Legislation Updates 2026*

- NAMWUA tracked 69 water related bills
- As of April 24, all tracked bills are dead except for two
- NAMWUA opposed both tracked bills that are still alive

# *Dead Bills of Intrest*

- HB2053–Appropriation, Stormwater Recharge Mapping –NAMWUA: Support
- HB2328– Municipal Corporations; Water Supply – NAMWUA: Opposed
- HB2023–Land Divisions; Disclosure Affidavit; Recording– NAMWUA: Support
- HB4030–Rates, Fees, Taxes, Increase; Moratorium – NAMWUA: Opposed

# Vetoed Bills

- HB2102–Domestic water improvement districts; hauling – NAMWUA: Opposed
- HB2103– Water improvements program: water hauling – NAMWUA: Opposed

Governors' Veto letter states:

“Today I vetoed HB2102 and HB2103. These bills are nothing more than attempts to create political cover for the legislature’s inaction on rural groundwater protections. Making statutory tweaks to emphasize water hauling as the solution to rural Arizona’s water challenges is an insult to the rural communities that are fighting for meaningful reforms to secure their water for future generations.”

# *Bills Still in Play*

- SB1202–Supply and Demand; assessment; groundwater– NAMWUA: Opposed
  - Includes additional information required of ADWR in the five–year water supply and demand assessment
    - Passed Senate
    - Working through House
- HB2100– small land subdivision; requirements – NAMWUA: Opposed
  - Permits counties to approve small land subdivisions of 6–10 lots and 2 or more acres in size not subject to assured or adequate water supply requirements
    - Passed House
    - Working through Senate

# *Bills Still in Play*

- HB2758 – McMullen Valley; Groundwater Transport
  - Allows groundwater to be pumped from the McMullen Valley basin and transported to Active Management Areas (e.g., Phoenix metro)
    - Passed House
    - Working through Senate