



City of Prescott
Council Subcommittee on Water Issues

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.

Cathey Rusing

CATHEY RUSING, Chair

ATTEST:

Torey Dawson

Torey Dawson, Deputy City Clerk