COUNCIL WATER ISSUES
COMMITTEE
REGULAR MEETING
TUESDAY, AUGUST 2, 2016
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR MEETING OF THE COUNCIL WATER ISSUES COMMITTEE HELD ON August 2, 2016, in the LOWER LEVEL CONFERENCE ROOM, located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

A. Call to Order.

Chairman Lamerson called the meeting to order at 9:30 a.m.

B. Roll Call.

COUNCIL WATER ISSUES COMMITTEE MEMBERS:

Present:
Chairman Jim Lamerson
Member Steve Blair
Member Steve Sischka

Staff Present:
Leslie Graser, Water Resources Manager
Annikki Chamberlain, Water Resources Coordinator
Matt Podracky, Assistant City Attorney
Rhonda K. Basore, Deputy City Clerk
Craig McConnell, City Manager

C. Approval of minutes of the July 5, 2016, Council Water Issues Committee meeting.

MEMBER SISCHKA MOVED TO APPROVE THE MINUTES AS WRITTEN; SECONDED BY MEMBER BLAIR; PASSED 3-0.

D. Alternative Water Portfolio Update

Leslie Graser, Water Resources Manager, presented. She said as of May 3, 2016, 479 acre-feet of "Alternative Water" remained for new development (uncommitted by a water service agreement). She said there are two residential categories within that category (Market – 125 acre-feet; Workforce – 100 acre-feet). She said at year-end 2016, if the preceding volumes are full allocated, 50 acre-feet would be the opening balance for Calendar Year 2017. She said this report was an update and no action was required.

Member Sischka said if nothing else is allocated, would the quantities at the end of 2016 be 50 acre-feet plus additional volumes. Ms. Graser said increases to the 50 acre-feet were anticipated; however, the volume amount would not be known until late 2016.

Member Blair asked if the yearly water budget was January 1 through December or July through June. Ms. Graser said by calendar year, January through December.

E. Water Service Agreement Applications

1. WSA 16-008 Prescott Lake Villas

Leslie Graser, Water Resources Manager, presented. She said the project was for 200-unit apartment and the water requirement was 50-acre-feet. She said the property was currently serviced by a well and if a property was served by a well in 1998 and a connection to City water replaces that well, the City could apply for a groundwater allocation increase of 0.5 AF/residence. She said the applicant would like to seek alternative water supplies for Phase I. She said the applicant was aware that the allocation of Phase I water does not obligate the City to allocate for Phase II. She said the applicant was present to answer any questions.

Chair Lamerson said Member Blair and himself attended the Planning & Zoning meetings in order to be prepared for when item(s) come before the Water Issues Committee. He said if the water was available and it met P&Z requirements he saw no reason in not moving the WSA forward.

Mr. Nestor, applicant, asked if the water allocations approved would carry over to the next year.

Chair Lamerson said the allocation was for 100 year continuous water supply. Ms. Graser said within the contract the 12.5 ground water and 12.25 alternative water allocations would be maintained. She said within the contract are performance criteria. She said if the performance criteria were not met, the contract would be terminated.

Chair Lamerson said in order to protect the City, performance criteria were included in the contract. He said this way water allocations were not tied up. If performance criteria were not met, the water allocations would be taken away and be made available for others.

Mr. Nestor asked if the project met its performance criteria in 2017-2018 would he have to come back before the Committee to be reassessed for additional water supply. Ms. Graser said yes, he would have to apply for water allocations for Phase II. If the Committee and Council approved the water service agreement for Phase I, water allocations would consist of 12.5 AF of committed groundwater and 12.25 acre-feet of alternative water supplies.

Member Sischka asked if the applicant understood he did not have water right now for Phase II. The applicant stated he did.

Member Lamerson said the applicant wanted to move forward on a project that was approved unanimously by the P&Z. He said the project has met all the requirements. He said the project consisted of 99 units (Phase 1 only) and was a viable project and staff informed the applicant the water allocations would be available subject to phasing the project. Ms. Graser said the overall project was for 200 units. She said available water allocations were for 99 units. She said the applicant had the option of using grandfather rights if they wanted to develop all 200 units at this time.

Member Blair said in January more water allocations would be available. Ms. Graser said yes, subject to water budget approval.

Member Blair clarified the two options for the applicant: irrigation grandfathered rights or apply for Phase II water allocations in January 2017.

Member Sischka said the City needed to be guaranteed the project was going to move forward. Ms. Graser said within the contract would be performance criteria listing when certain phases of the project needed to be completed.

Leslie Hoy, Media Coordinator for Citizens Water Advocacy Group, said the Advocacy Group tried to find a list of irrigation ground-fathered rights on the ADWR website with no success. Ms. Graser said she received information by calling ADWR directly for a query of their data base. She said she recommended to all applicants to work directly with ADWR.

Member Sischka asked if the grandfathered-irrigated rights had to be local. Ms. Graser said within AMA area.

Craig McConnell, City Manager informed the applicant the water services agreement and development agreement would go before the Council September 13.

IT WAS THE CONSENSUS OF THE SUB-COMMITTEE TO FORWARD THIS ITEM TO THE CITY COUNCIL.

2. WSA 16-013 Burford (vacant residentially-zoned tract)

Ms. Graser presented. She said a revision of Plat No. LS16-003 was filed for a tract identified within the City's vacant, residentially-zoned reservation. The revised plat was identified with Parcel "A" at 0.33 acres and Parcel "B" at 1.15 acres. She said a Water Service Agreement (WSA) Application No. 16-013 was filed for one single family dwelling unit on the land consisting of 0.33 acres. She said the water requirement for one single family unit was 0.35 acre-feet. The current policy stated residential requests of less than 4 dwelling units may be approved by the City Manager administratively. She indicated the report was informational only and the application was approved administratively.

3. WSA 16-014 Millennium Holdings, LLC

Ms. Graser presented. She said the project consisted of seven condominium units. The water requirement for seven multi-family units was 1.75 acre-feet. This property was within a groundwater subdivision and would maintain the existing structure for commercial purposes. She said the project was subject to the available volume and requirements defined in the Workforce/MF/Duplex/Apts allocations. As proposed the project met the requirements for water allocations.

Chair Lamerson said if the water was available and it met P&Z requirements he saw no reason in not moving the WSA forward.

IT WAS THE CONSENSUS OF THE SUB-COMMITTEE TO FORWARD THIS ITEM TO THE CITY COUNCIL.

4. WSA 16-015 Pogue

Ms. Graser presented. She said the project consisted of 4 multi-family units. An existing single-family residence and new duplex would remain on a portion of the property and another new duplex constructed on the other portion. She said the project was subject to the available volume and requirements defined in the Workforce/MF/Duplex/Apts allocations. As proposed the project met the requirements for water allocations.

IT WAS THE CONSENSUS OF THE SUB-COMMITTEE TO FORWARD THIS ITEM TO THE CITY COUNCIL.

5. WSA 16-016 Stout

Ms. Graser presented. She said the project consisted of construction of an additional residential structure on a property with an existing single family residential unit. She said the applicant was notified that additional water supplies would be necessary. She said the existing single-family residential unit would continue to be served with groundwater and the new unit would require an alternative water allocation. The total water requirement for one unit was 0.25 acre-feet. She said since the project was less than 4 dwelling units, the project was approved by the City Manager administratively. She indicated the report was informational only.

F. Water Conservation Program

Ms. Graser presented and spoke on water saving tips that could be found at http://www.prescottwatersmart.com/ .

Member Lamerson asked what ability the City had to ensure proper water usage. Ms. Graser said if someone applied for a water rebate, receipts and information had to be provided.

Ms. Graser continued with the presentation. She said since 2006 the City had offered water conservation rebates and over 2,900 rebates had been filed. She said the database had

become cumbersome to maintain so the City had invested in WaterWays™. She said the City would be hosting a conservation info-share meeting, where professionals would gather to see what the City was doing for water conservation.

1. Water Ways™

Annikki Chamberlain, Water Services Coordinator, presented. She presented www.waterrebates.com/#!az-prescott-az.gov. She said the program provided:

- On-line, paperless rebate application submission
- Automatic email generation to alert customers to their application status
- Home water use reports for customer communication
- Industry-standard calculations to automatically quantify water and energy savings
- Real-time program statistics including water savings, rebate popularity, and budget
- Analysis of community water conservation trends

She said implementation of Water Ways™ would streamline the water conservation program and enhance program communication and public outreach. Furthermore, this level of data management allows for assessment of program effectiveness to more efficiently direct resources and update program incentives.

Member Blair asked if the information was available in the water bill. Ms. Graser said currently the information was provided upon request.

Chair Lamerson asked how would the public know to request the information. Ms. Graser said staff would announce the program once all the information was available in the data base. Ms. Chamberlain said the City does provide a health check self assessment report upon request.

Member Lamerson asked why not include something in the water bill. Ms. Chamberlain said to provide individual information would be a massive undertaking and require different software. She said something could be inserted announcing the availability of the information.

Member Sischka asked if announcements would be made on the radio. Ms. Graser said yes. She said staff would look at the most effective communication tools.

Ms. Chamberlain continued with the presentation. She covered what kind of reports could be provided, community conservation update and water production.

Member Sischka asked if the system would provide information on whether the .25 water allocation per residential unit was reasonable. Ms. Chamberlain said no. She said the program provided a snapshot of water conservation and overall resources.

Ms. Graser said the City continually looks at programs and software to work more efficiently and provide information in a timely manner to the public.

Leslie Hoy asked if information on water usage and surface water could be placed in the Prescott newspaper. Ms. Chamberlain said the project did not provide water usage and available surface water. She said a report could be generated for water savings. Ms. Chamberlain said the program was to prepare water conservation reports and would not include information on utilities.

Peter Kroopnick, Citizen's Water Advocacy Group asked how often the surface water report would be made available. Ms. Chamberlains said upon request.

Member Lamerson asked staff to work with the Prescott newspaper.

The Committee unanimously agreed to move the project forward.

2. Rainwater Harvesting Rebate

Ms. Graser presented. She said the City's Water Conservation Program currently focuses primarily on reducing outdoor water use and rebates available to support this goal. She said rainwater harvesting was part of the conservation plan. She said research indicated rainwater harvesting was an effective tool for promoting water conservation and acted as a catalyst to increase citizen awareness of individual water use. She said the current conservation provision of the City Code offered $0.10 per gallon of storage capacity and required the installation of a minimum 500-gallon capacity rainwater catchment tank or engineered cistern. She said Water Resource Management recommended an update to the City Code to increase the rainwater harvest rebate to $0.50 per gallon with a minimum capacity of 100 gallons and a maximum lifetime rebate of $500 for a property.

Chair Lamerson confirmed the lifetime rebate would be $500 for a property. Ms. Graser said yes.

Member Blair asked when the City was going to look at ways to save water. He said the Prescott Unified School District reduced the turf around its baseball field. Ms. Graser said the City continuously works towards on-going efforts to save water.

Member Blair asked that the information regarding rain harvesting be made available to the public.

Chair Lamerson mentioned the County watering the Court House Plaza at 3:00 p.m. and during the rain. He asked if staff could have a discussion with the County. Ms. Graser said the City Code does allow for the sprinklers to be on if there was maintenance occurring. She said the City does not have a conservation enforcement officer.

The Committee unanimously recommended approval to forward City Code changes for rainwater harvesting rebate increase to the City Council.

F. Adjournment

There being no further business to be discussed, the Council Water Issues Committee adjourned the Public Meeting of August 2, 2016, at 10:37 a.m.

JIM LAMERSON, Chairman

ATTEST:

DANA R. DeLONG, City Clerk