

MINUTES OF THE CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES HELD ON SEPTEMBER 4, 2018, IN THE LOWER LEVEL CONFERENCE ROOM, LOCATED AT 201 S. CORTEZ STREET, PRESCOTT, ARIZONA.

A. Call to Order

Chairman Lamerson called the meeting to order at 9:00 a.m.

B. Roll Call

CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES MEMBERS:

Present:

Chairman Jim Lamerson
 Member Steve Blair (arrived 9:10 a.m.)
 Member Steve Sischka

Staff Present:

Michael Lamar, City Manager
 Clyde Halstead, Senior Assistant City Attorney
 Leslie Graser, Water Resource Manager
 Craig Dotseth, Public Works Director
 Teresa Ogle, Administrative Assistant

C. Approval of Minutes for the July 3, 2018 Meeting

COUNCILMAN SISCHKA MOVED TO APPROVE THE MEETING MINUTES OF JULY 3, 2018; CHAIRMAN LAMERSON 2ND. PASSED (2.0). (COUNCILMAN BLAIR NOT PRESENT FOR THE VOTE)

D. 2018 Alternative Water Budget Update

Leslie Graser reviewed the 2018 Alternative Water Budget.

	2018 Budget	Amount Remaining	of Budget
Single Family	20 acre-feet	19.25 acre-feet	
Multi-Family	10 acre-feet	0.68 acre-feet	
Commercial	100 acre-feet	20.0 acre-feet	

Leslie also discussed the City Water Portfolio diagram, indicating that the City pumped 6,771 AF of water last year. Chairman Lamerson stated that he would like a clear number that the public can understand that shows how much the City is pumping, versus what is allowed by ADWR to be pumped.

It was agreed that from September forward, staff will work with both single-family and multi-family pools in allocating incoming requests. Combining these pools will provide needed flexibility.

E. Water Service Agreement Applications Summary

Five (5) Water Service Agreement Applications have been received since the last meeting conducted on July 3, 2018. Only one (1) application will need review for Council Subcommittee recommendation.

WSA Applications

WSA 18-009 (Harper)

The request for supplies was in the amount of 0.25 AF/year and was provided from the CVID Reservation. In accordance with City water policy the contract was administratively approved.

THE SUBCOMMITTEE MADE NO RECOMMENDATION, AS THIS WAS AN INFORMATION ITEM.

WSA 18-010 (Whispering Rock)

The original request for supplies in the amount of 60 AF/year was estimated using an initial site plan. In July 2018, the Subcommittee made recommendation for allocation from the 2018 Commercial block. The annexation hearing was conducted at City Council Voting Session of August 28, 2018. The Development Agreement is scheduled for Council Voting Session on September 11, 2018.

THE SUBCOMMITTEE MADE NO RECOMMENDATION, AS THIS WAS AN INFORMATION ITEM.

WSA 18-011 (Routson)

An application was filed by Dan Routson, owner of APN 109-14-025, on August 20, 2018, seeking an alternative water allocation for four (4) multi-family units resulting in two (2) duplexes.

In accordance with the Calendar Year 2018 Water Management Policy the applicant submitted a corresponding building permit (B1804-115). The total water allocation for this project is 0.60 AF/year of which a portion will be from current and committed groundwater; the remainder will require an alternative water allocation in the amount of 0.30 AF/year. This volume is available in the 2018 water budget.

Member Blair asked if all 4 units could be serviced on one 5/8" water meter. Leslie indicated that with City Manager approval, they can. Craig Dotseth stated that through work by the architect, fixture calculations and location within the water system (for pressure) the Engineering review will ensure that demand can be met.

Member Sischka asked if the units were "Water Smart". Leslie responded that it would be up to the owner to sub-meter each unit to qualify for the "Water Smart" designation. At this point the standard allocation has been applied.

MEMBER SISCHKA MADE A MOTION THAT THE WATER SERVICE AGREEMENT PROCEED TO COUNCIL FOR CONSIDERATION OF APPROVAL. MEMBER BLAIR 2ND. PASSED (3-0).

WSA 18-012 (Pfluger)

The request for supplies in the amount of 0.25 AF/year and was available from the 2018 residential block. In accordance with City water policy the contract meets administrative approval requirements.

THE SUBCOMMITTEE MADE NO RECOMMENDATION, AS THIS WAS AN INFORMATION ITEM.

WSA 18-013 (3rd Gen Enterprises, LLC)

The request for supplies was in the amount of 20 AF/year. In July 2018, the Subcommittee made recommendation for allocation from the 2018 Commercial block. The annexation hearing was scheduled at City Council Voting Session on August 28, 2018. The annexation hearing was conducted at City Council Voting Session of August 28, 2018.

THE SUBCOMMITTEE MADE NO RECOMMENDATION, AS THIS WAS AN INFORMATION ITEM.

F. City's Water Portfolio and 2019 Policy Outline

Leslie provided the Council Subcommittee an update on the overall water portfolio. Since 1999, the Council has made available for use certain volumes from the water portfolio, and further created set-asides or reservations as they determined necessary for the community. Understanding the structure of the water accounts, the volumes that have been placed into contract, and the remaining volumes available are used to guide the following year(s) policy.

Discussion topics

1. Leslie reviewed the City's water portfolio tracking spreadsheet. The general pool, and current set-asides and reservations to be identified, and their available supplies for possible allocation.
2. Next water management policy
 - In September, the Council Subcommittee begins work on the water management policy for the coming year(s). A new outline is under consideration.
 - The next policy is proposed to be five (5) years, Calendar Year 2019 through 2023.
 - Portfolio policies under development for consideration by the Council
 - i. Recombine all water blocks in the City Portfolio that are not a court-decree (i.e. Historic/Pre-Existing, and Vacant Residentially Zoned Tracts)
 - ii. Reinstate for use supplies that were originally over-allocated either by the State (Groundwater) or by the City (Alt water)
 - iii. Open the City's Long-term Storage Account (2009 D&O) for use
 - iv. During the policy time period, develop cost/benefit analysis to determine the cost of water for applicants, and process to track contract consumption and require payment for water used in excess of the contract volume.
 - Allocation policies – similar to previous City policies, these provide bounds for the Water Resource Management Division to address new applicants and move projects through the approval process (administrative or Council approval). This also sets forth the tracking procedures of the City's portfolio supplies (specifically

the "alt" water supplies).

THE SUBCOMMITTEE MADE NO RECOMMENDATION AS THIS WAS AN INFORMATION ITEM.

G. Drop by Drop September Program

This item tabled until next meeting.

THE SUBCOMMITTEE MADE NO RECOMMENDATION AS THIS WAS AN INFORMATION ITEM.

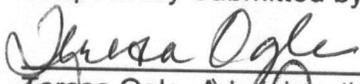
H. Update on the CWAG Presentation

This item tabled to the next meeting.

I. Adjournment

There being no further business to discuss, the meeting was adjourned at 11:28 a.m.

Respectfully Submitted by:



Teresa Ogle, Administrative Coordinator



Councilman Jim Lamerson, Chairman

Date: 10/1/18

Attachment: Subcommittee Meeting Minutes of September 4, 2018 (2187 : Approval of Minutes)