

MINUTES OF THE CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES HELD ON JANUARY 8, 2019, 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 9:04 a.m.

B. Roll Call

CITY COUNCIL SUBCOMMITTEE FOR WATER ISSUES MEMBERS:

Present:

Chairman Jim Lamerson
Member Steve Blair
Member Steve Sischka (arrived 9:06)

Staff Present:

Michael Lamar, City Manager
Clyde Halstead, Senior Assistant City Attorney
Craig Dotseth, Public Works Director
Leah Hubbard, Water Resource Coordinator
Leslie Graser, Water Resource Manager
Gwen Rowitsch, Administrative Support Services Manager
Teresa Ogle, Administrative Assistant

C. Approval of Minutes for the December 4, 2018 Meeting

COUNCILMAN BLAIR MOVED TO APPROVE THE MEETING MINUTES OF NOVEMBER 6, 2018. CHAIRMAN LAMERSON 2ND. PASSED (2.0). (COUNCILMAN SISCHKA ARRIVED AFTER VOTE)

D. 2019 Water Allocation Update

For January 1, 2019 until July 1, 2019, alternative water supplies were made available in accordance with City Resolution No. 2018-1663. The available supply is 350 acre-feet and stated to be for, "...any development of any type during this period."

New Water Service Agreement applications existing or filed before December 25, 2018 (submission deadline for 1/8/2019 Subcommittee meeting).

Application No.	Requested Volume (in acre-feet)	Water Budget Remaining (in acre-feet)
WSA 17-028, Catholic Charities ¹	6.35	343.65

WSA 18-022, Lafferty	23.25	320.40
----------------------	-------	--------

¹On March 13, 2018, City Council approved a letter of endorsement (City Resolution No. 2018-1635) for water resources to serve the proposed Twin Cedars project. The water supply had been set aside in the City’s water portfolio for possible allocation from and use in Calendar Year 2019. In accordance with the Council Agenda Memo of March 13, 2018, “Pending the award of the HUD grant, the Twin Cedars [water service agreement] application will be placed on a City Council agenda for approval of a standard water service agreement (specifying the volume, performance criteria, etc.)”

E. Water Service Agreement Applications

Bailey (WSA18-021)

Water Service Agreement Application No. WSA18-021 was filed by Steve Perry, the builder for the Bailey’s, on November 27, 2018. The applicant is seeking one water service connection in accordance with an historic agreement recorded as Book 350 Page 109.

In accordance with the adopted Water Management Policy, water has been allocated at 0.25 acre-feet per year, and per policy was approved administratively.

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

Lafferty (WSA18-022)

Water Service Agreement Application No. WSA18-022 was filed by Michael Lafferty on November 30, 2018. The applicant is seeking an alternative water allocation for one hundred and fifty-five (155) apartment units.

This application is in accordance with the current Water Management Policy. The applicant has submitted Site Plan (PLN18-037) and Water Service Agreement (WSA18-022) applications. The project requires a total of 23.25 acre-feet.

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

Councilman Lamerson also requested an update on all open contracts, and status with regard to meeting performance criteria. Leslie Graser will provide that information at the next meeting.

F. Matrix New World Contract Update (City Contract No. 2019-079)

On August 28, 2018, City Council approved City Contract No. 2019-079 for specialized technical support on Comprehensive Agreement No. 1. An update will be provided on work products and their purpose.

Recommended Action: For information purposes.
--

On September 19, 2012, Council approved Comprehensive Agreement No. 1 (CA#1) with Salt River Project (SRP) and the Town of Prescott Valley, providing for implementation of an enhanced groundwater and surface water monitoring system, generating data for a refined ("nested") groundwater model to be developed for the Big Chino Sub-basin and its connection to the Upper Verde River. The total budget for the CA#1, with a cost share among the three parties, is \$5.6 million dollars. The conclusion of the groundwater flow model development is scheduled for May 2020.

Chairman Lamerson voiced concerns about the closed loop storage project and the City's ability to protect our water supply. Chairman Lamerson asked for an update on the ITC project. Clyde Halstead agreed to provide an Executive Update.

Leslie Graser reviewed the purpose of the Matrix New World Contract, it was to support the Comprehensive Agreement No.1 contract which has approximately 2 years remaining. Quarterly reports will commence, along with the current annual reports. Scientific contracts will be reviewed and extended as necessary to meet the City's objectives. Leslie also reviewed the webpage for the Management and Completion of Comprehensive Agreement No. 1, and the Quarterly Report Template for CA1. Members requested that cost savings be added to the report template, along with existing contracts and budget status.

Member Sischka asked what information would be available at the end of the 8-year study. All Members felt that a summary was needed that could be shared with the public. Succinct talking points on will be provided to the Members as requested.

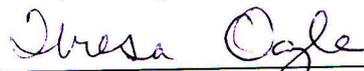
Member Blair asked what our current recharge percentage was. Craig Dotseth agreed to provide this information. Member Blair also asked if all sub-lease opportunities were being considered at the BCWR. Clyde Halstead stated that there are legal obligations that must be met, and leasing is at the maximum possible at this time.

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

G. Adjournment

There being no further business to discuss, the meeting was adjourned at 9:50 a.m.

Respectfully Submitted by:



Teresa Ogle, Administrative Coordinator

Councilman Jim Lamerson, Chairman

Date:

James Lamerson

3-5-19