



## COUNCIL AGENDA MEMO

**MEETING DATE/TYPE:**                      **STUDY SESSION MEETING**                      **6-11-19**

**DEPARTMENT:**    **City Attorney**

**AGENDA ITEM:** Overview of Potential Water Policy and Code Changes.

**Approved By:** Michael Lamar, City Manager

### Item Summary

Discussion of Potential Changes to the City of Prescott's Water Policy and related City Codes.

### Background

The City of Prescott has traditionally tracked and estimated water use by directly tying population increases to static increases in water use. In 2018, a review of that tracking method showed both that water use did not increase as population increased and that the static volume estimated for water use was almost double actual usage.

The City hired experts to confirm and explain those findings. Mr. Gary Woodard and Mr. Herb Dishlip were retained in different capacities to help the City address and better understand its water management practices. Mr. Woodard investigated why the disconnect between population and water consumption had occurred and forecasted how that might continue in the future while Mr. Dishlip developed a tool to help the City track real usage and manage supplies in a manner that more closely reflects reality.

Following Mr. Woodard and Mr. Dishlip's work, it became clear that the City could no longer rely on past water management practices. Accordingly, a work group was developed in January 2019 consisting of a City Council member, City Manager, Director of the Public Works Department, Director of the Community Development Department, and the City Attorney, along with several staff members of these departments. The group spent several months reviewing the City's current practices and proposing and revising new policies and practices that could more effectively manage the City's water supplies. This presentation is an overview of those proposed changes. Individual topics that are part of this overview will be discussed in more detail in future Council study sessions.

### Financial Impact

**AGENDA ITEM:** Overview of Potential Water Policy and Code Changes.

Discussion only.

**Recommended Action:** This item is for discussion only. No formal action will be taken.

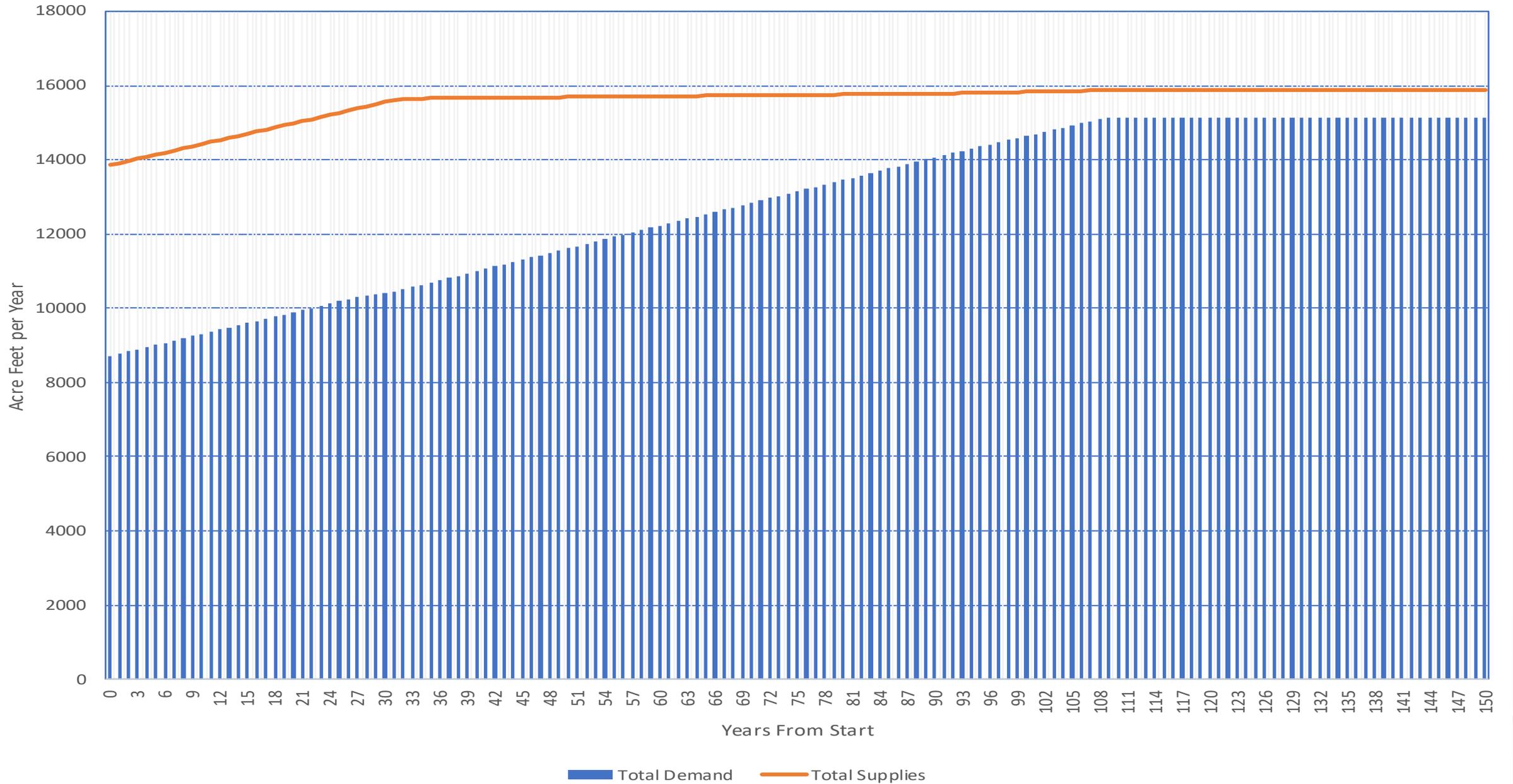
The background of the slide is a light gray gradient with several realistic water droplets of various sizes scattered across it. The droplets have highlights and shadows, giving them a three-dimensional appearance.

Clyde Halstead  
Senior Assistant City Attorney  
City of Prescott Legal Department

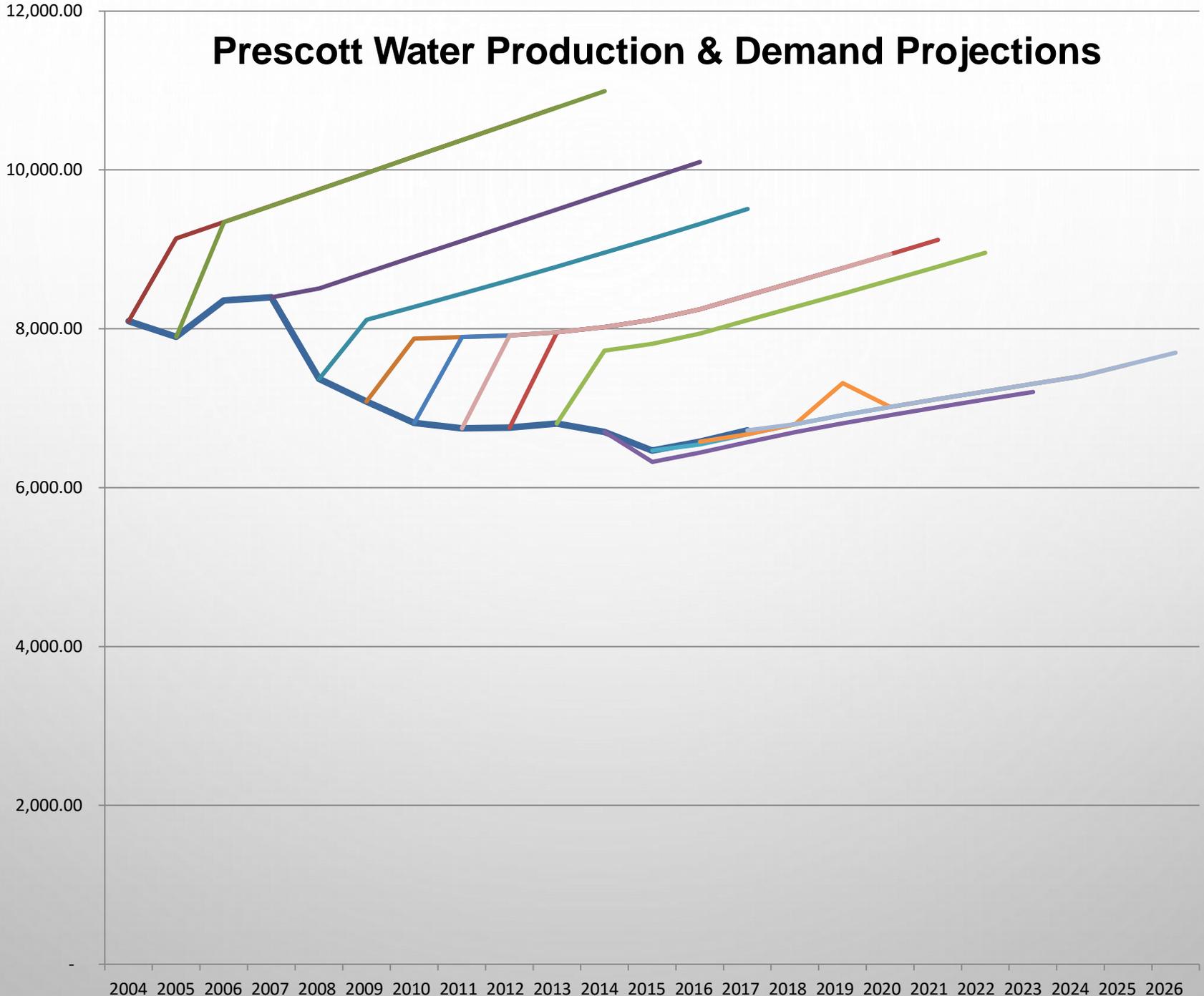
# **WATER**

## POLICY AND CODE CHANGES

# Supply vs. Demand



# Prescott Water Production & Demand Projections



The background features a light gray gradient with several realistic water droplets of various sizes scattered in the corners. The droplets have highlights and shadows, giving them a three-dimensional appearance.

# GOALS

- **SIMPLIFY**



# GOALS

- SIMPLIFY
  - INCORPORATE EXPERTS' WORK
- 



# GOALS

- SIMPLIFY
  - INCORPORATE EXPERTS' WORK
  - CONSERVE
- 

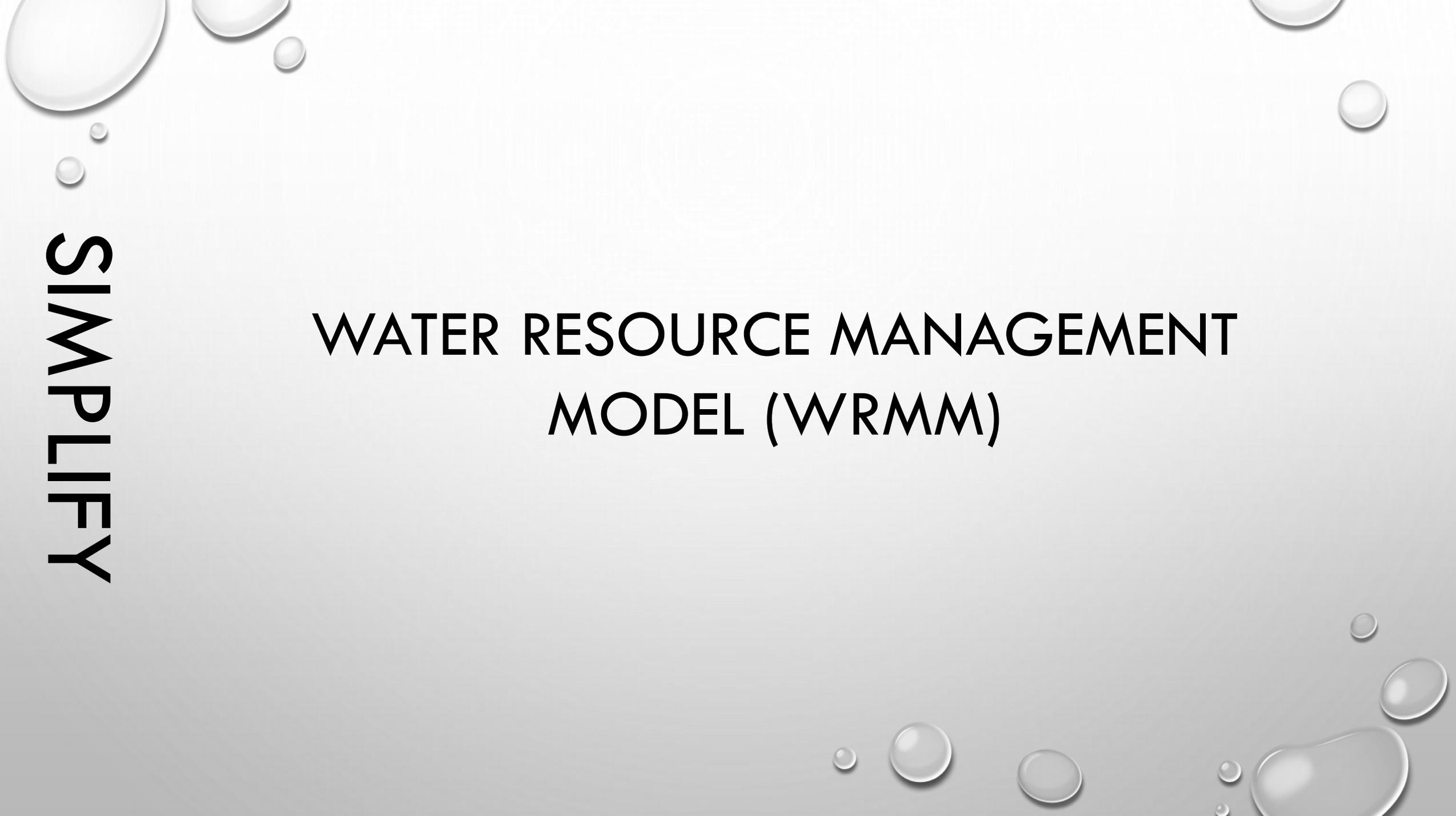
**SUPPLY: 16,507.44 af/YR**

**USE: 6,700**

**SIMPLIFY**

# ALLOCATION AMOUNTS

**SIMPLIFY**

The background features a light gray gradient with several realistic water droplets of various sizes scattered in the corners, creating a clean and fresh aesthetic.

# WATER RESOURCE MANAGEMENT MODEL (WRMM)

**SIMPLIFY**

The background features a light gray gradient with several realistic water droplets and bubbles scattered in the corners. The top-left and bottom-right corners have larger, more prominent droplets, while the other corners contain smaller, more delicate bubbles.

# WATER SERVICE AGREEMENTS

**SIMPLIFY**

**SIMPLIFY**

**ADMINISTRATIVE APPROVAL**

WRMM

INCORPORATE



**INCORPORATE**

# WOODARD'S MODEL



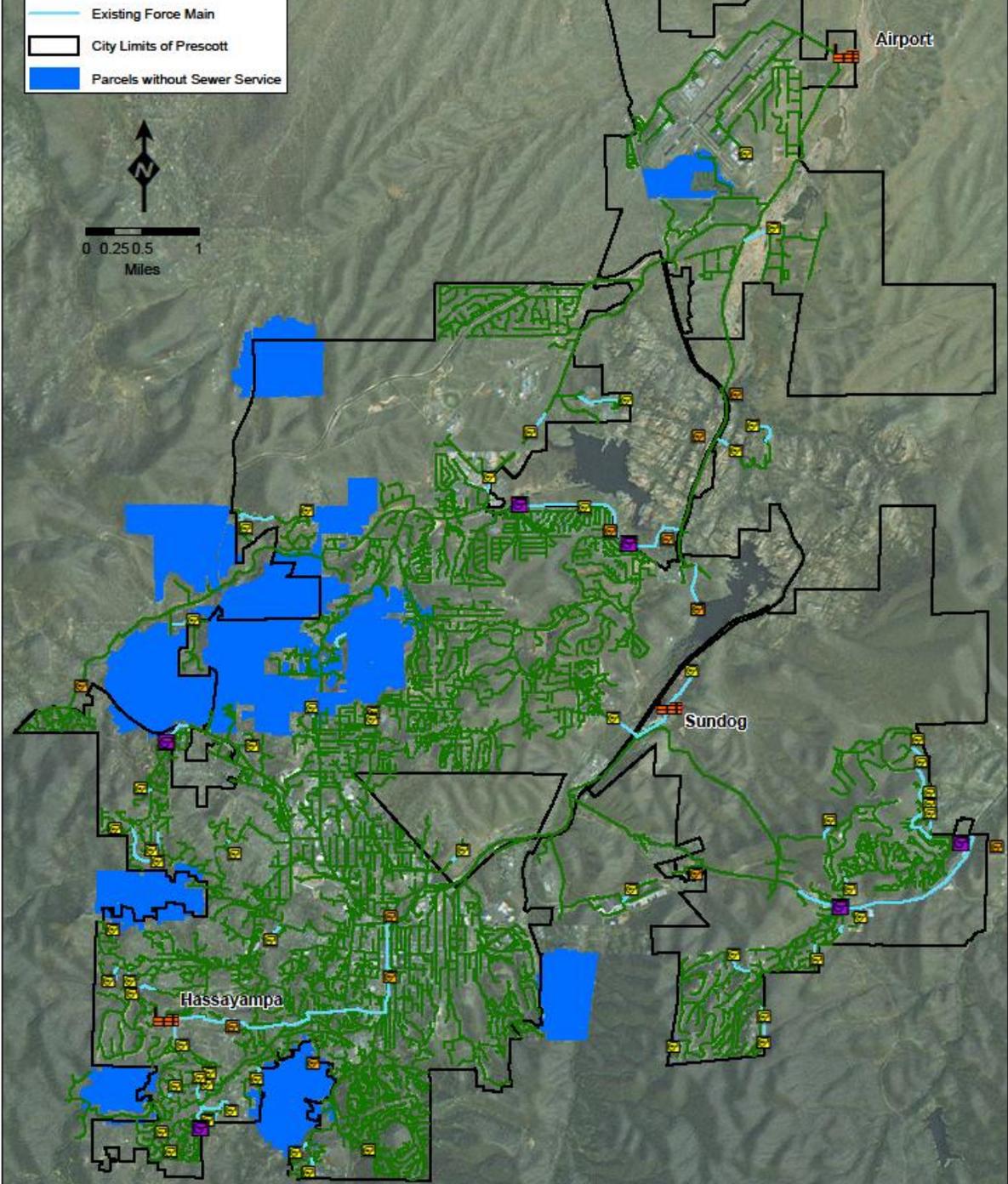
**REDUCE OUTDOOR WATERING**

**INCORPORATE**

SEWER

INCORPORATE

# SEWER



# Prescott\_impaired waters



REBATES

CONSERVE

LANDSCAPING

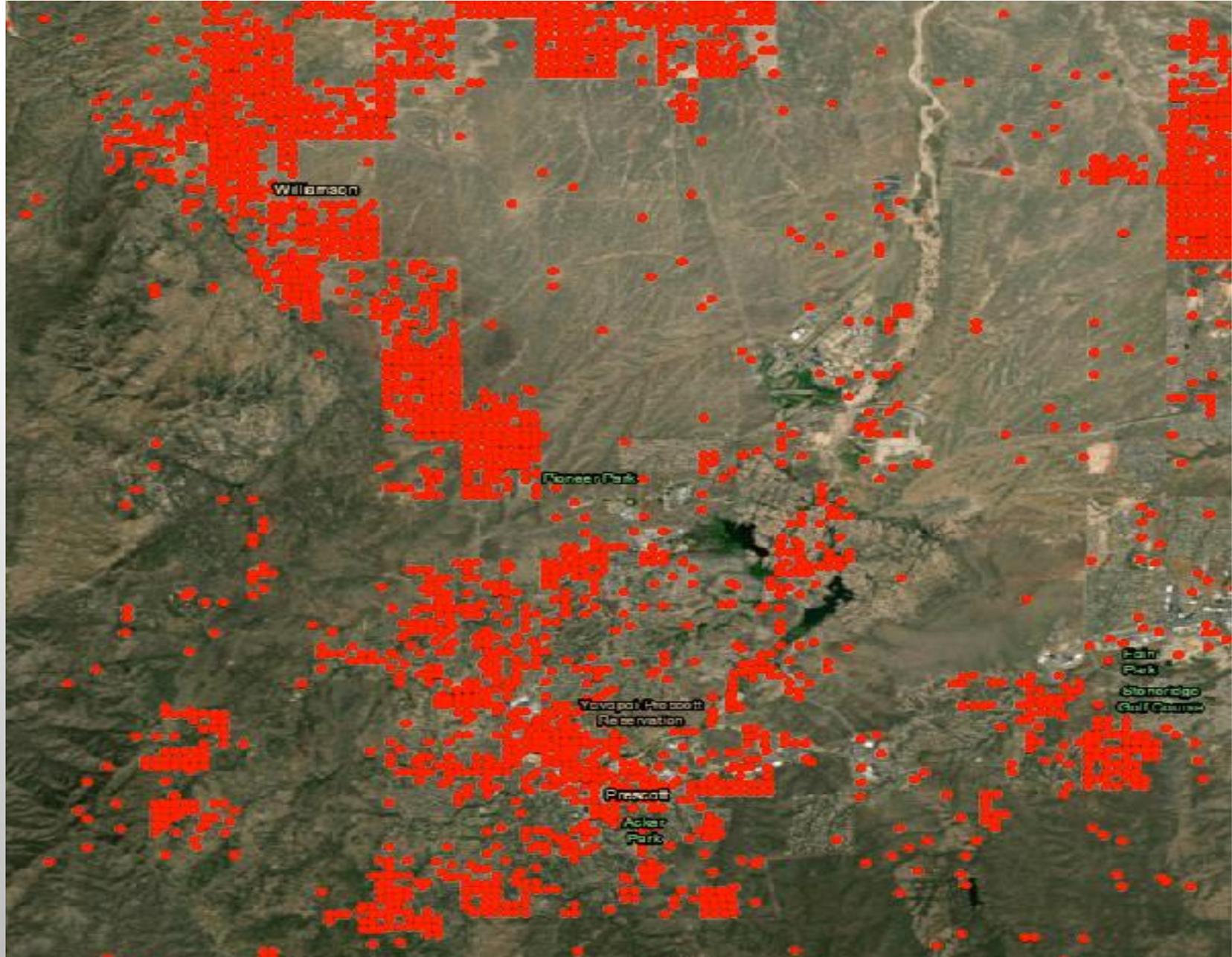
CONSERVE

**CONSERVE**

**APPLYING CONSERVATION SUCCESS  
OUTSIDE OF CITY LIMITS**



# WELLS



CONSERVE

# UPCOMING MEETING TOPICS

- REBATES
  - POLICY CHANGES
  - SEWER CHANGES
- WATER SERVICE OUTSIDE OF CITY LIMITS
  - OTHER CODE CHANGES

Mayor Pro Tem Orr said that she feels it would be a good idea to talk to County about parking on Union.

Mr. Lamar said that it would also be beneficial to ensure people are aware that it is free to park at City hall on the weekends.

#### B. Overview of Potential Water Policy and Code Changes.

Senior Assistant City Attorney Clyde Halstead provided a presentation to Council regarding potential water policy and code changes and an introduction to the upcoming meetings which will take place throughout the summer regarding these issues. He discussed the fact that there has been an increase in population but a decrease in water use, which is different than what we previously thought was the case and is impacting how water policy is to be set.

#### Goals

- \* Simplify how we manage our water
- \* Incorporate work of experts
- \* Continue conservation efforts and be a leader

#### Simplify

- \* Supply - 16,507.44 acre feet (af) per year versus usage of 6,700 af/year
- \* Water Resource Management Model (WRMM) - adoption of this will help to improve staff time for tracking water usage, and look at overall status of usage
- \* Water Service Agreements - would propose to move away from these; each one is different and city typically does not enforce or track them yet they still take up staff time.
- \* Administrative Approval - system needs to be simplified, and changed to 5 af of water as threshold.

#### Incorporate Work of Experts

- \* Adopt
  - WRMM
  - Woodard's Model
- \* Reduce outdoor water usage - landscaping code, severing the city (much of the city is unsewered customers). Any new development in city limits be required to connect to city sewer, for existing buildings be required after sewer is available to them (don't have to extend to the main), provide financial systems and grace period for people to get connected to sewer.
- \* Three benefits - get effluent back, infrastructure project will have a return, no sewage in creeks or lakes and cut down on pollution.

#### Conservation

- \* Offer incentives & rebates
- \* Update landscaping code - Department of Water Resources use as model and made a requirement for new developments

\* Applying Conservation Success Outside of City Limits - involve the AMA, allow for connection to city system outside of city limits/expand city service/develop expansion zone and allow properties within that zone to apply for city water

Upcoming Meeting Topics

- \* Incentives & Rebates
- \* Policy Changes
- \* Sewer Changes
- \* Water Service Outside of City Limits
- \* Other Code Changes

Councilman Goode commented that we already have built in enforcement with our tiered water rates to enforce water service agreements, and that we currently have incentive for water smart appliances and fixtures. He expressed his concern that if we get rid of the water service agreements we will be allowing development with no incentive to adopt water smart options.

Mr. Halstead said that there is no proposal for changing and that staff will continue to track projects internally to ensure that they are meeting our requirements and incentives will be in place so eliminating the service agreements should not diminish conservation efforts.

City Attorney Jon Paladini discussed that the af estimation in the current water service agreements was just that, an estimation, and that the concept in eliminating them is to go back to actual use and streamline the process. We overestimated that amount of water they were going to use and therefore never had to be enforced, so this will get us away from unnecessary bureaucracy.

Councilman Goode said that a cost/benefit analysis of these various options needs to be done.

Mayor Pro Tem Orr thanked staff for their work, and stated that she is surprised by amount of homes that are on our water but not in the sewer system (approx 4000) and would be beneficial to incentivize that. She also reiterated that conservation should continue to be top on our list, and changing the pollution levels of our streams and lakes.

Leslie Hoy - Prescott Resident - addressed Council regarding the Water Issues Subcommittee and her opinion that nothing has been said since January about what is going on with water so there needs to be transparency. She also said that people are confused about water vs. population and the decrease of use compared to population growth. This cannot go on forever. She asked how commercial use water will be given.

Mayor Mengarelli said that he wants to make it very clear to the public that they know everything we know, the Council is very transparent. Consultant, Mr. Woodard come and provided multiple presentations to discuss the information from his research and the public is aware of those.

Mayor Pro Tem Orr echoed Mayor Mengarelli's comments and said that she specifically recalls Mr. Woodard discussing the decoupling and the fact that won't last forever.

Councilman Blair said that he appreciates the Mayor's comments about being transparent. He commented on the fact that we have the ability to pump 16.507 af every single year and we are not even getting close to using that for 100 years water use. We have been transparent and honest about what is going on with the water.

Mr. Halstead confirmed this information.

Mr. Lamar stated that no decision is being made today, and each of these topics will be discussed in front of everyone over multiple meetings. This is simply staff bringing information forward for Council to consider. He also commented that Prescott Valley and Chino Valley both have population growth over 200% since 1990 while Prescott is under 50%, and the importance of a regional approach to our issues.

Councilman Goode said that the Woodard model allowed us to do a retrospective look at conservation efforts over the last many years and the decisions we have made which have been great and allowed us to grow without over using water. Every time we have these discussions the finger gets pointed at a lack of a regional workgroup that will create policies that everyone can adopt and we have to do that. Dishlip model will also allow us to look at commercial use and no longer use estimate and build data that will be important in establishing policies.

Barbara Jacobson - Prescott Resident - asked if the 100 year water supply presented by Mr. Woodard includes the Big Chino Aquifer, and expressed her concern that we are over estimating.

Council and staff confirmed that Big Chino is not included in those equations, that would give us even more water.

C. Update to the Water Conservation Incentive Program.

Water Resource Specialist Leah Hubbard provided a presentation to Council regarding the FY20 Conservation Incentive Program, and gave a timeline of water conservation in the city of Prescott. Overall, the program which began in 2006 has been successful, and over 824 million gallons of water have been saved. Gallons per capita per day have decreased since 2000, particularly since tiered rate structure and incentive program took effect. Toilets are the number one rebate, important to take a look at the conservation program as a whole to see where we can make changes because some items are rarely impacting.

What Can Be Improved Upon

- \* Toilets
- \* Drip System Installation - a full retrofit is very difficult and is rarely used
- \* Urinals

- \* Landscape Health Check
- \* Leak Repairs
- \* Rotator Spray Head Replacement
- \* Shower Heads

#### Proposed Changes

- \* Toilets - \$100 rebate for 1.0 gallons per flush, with an additional \$50 incentive for septic customers
- \* Irrigation - smart timer irrigation controllers \$75 rebate
- \* Rainwater Harvesting - passive systems will now be an option
- \* Turf Removal - increase to \$0.50 per square foot
- \* Urinals - hybrid flush option
- \* Washing Machines - \$200 rebate for machine install based on efficiency list from Tucson Water
- \* Hot Water Recirculation - not recommended
- \* Future Proposal - low income toilet installation, this project is in the works and will be brought back at a future meeting
- \* Future Proposal - permeable surfaces and commercial water awards as a rewarding recognition program for local businesses
- \* Marketing - there is a general lack of knowledge in the public and therefore the program is under utilized; so we need to increase awareness and ensure that unincorporated areas know it applies to them as well. Rebate education card for targeted individuals.

#### Timeline

- \* July 1st - Sept. 1st: target all forms of media about the "new" conservation program, including radio/Facebook/press releases/special interest stores/City website
- \* Sept. 1st - Dec. 31st: target toilet rebates for residential customers, with an emphasis on septic customers; hand out cards and forms in neighborhoods without sewer/start contacting businesses about their old toilets
- \* Jan. 1, 2020 - June 30, 2020: push passive rainwater harvesting rebates, this will pair well with the Lakes Management Plan
- \* Full Fiscal Year: measure program effectiveness and present to Council

Mayor Mengarelli thanked staff for the presentation and incorporation of information provided by Mr. Woodard.

Mayor Pro Tem Orr said that she is happy to see washing machines being added in and the increase of septic as well.

Councilman Goode said that he applauds staff for their hard work and the ongoing improvements and commented on changes that we can make to continue driving water use down and lead the communities in the area for best practices.

#### **4. ADJOURNMENT**

There being no further business to discuss, Mayor Mengarelli adjourned the meeting at 3:26 p.m.

\_\_\_\_\_  
GREG MENGARELLI, Mayor

ATTEST:

\_\_\_\_\_  
MAUREEN SCOTT, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session Meeting of the City Council of the City of Prescott, Arizona held on the 11th day of June, 2019. I further certify the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019.

AFFIX  
CITY SEAL

\_\_\_\_\_  
Maureen Scott, City Clerk