

Pinal County Water Augmentation Authority

MEETING MINUTES

MINUTES OF NOVEMBER 8, 2022:

A meeting of the Pinal County Water Augmentation Authority was convened at 7:05 a.m. both remotely through technological means and in the Pinal County Offices in Casa Grande, Arizona.

Directors Present:

- Bill Collings, Papago Butte DWID
- Melissa Campbell, City of Coolidge
- Stephen Q. Miller, Pinal County
- Bryan Hartman, Maricopa-Stanfield Irrigation and Drainage District
- Jake Lenderking, Water utilities without a CAP Water Subcontract
- Bob Marsh, City of Maricopa
- Derek McEachern, Central Arizona Irrigation and Drainage District
- Matt Rencher, City of Eloy
- Fred Schneider, Water utilities with a CAP water subcontract

Also Present:

- Joe Singleton, PCWAA Executive Director
- Nathan Miller, MATRIX New World Engineering
- Mitch Basefsky, Central Arizona Project

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CALL TO ORDER:

Chairman Bill Collings called the meeting to order at 7:05.

QUALIFYING AND SEATING OF NEW DIRECTOR DEREK MCEACHERN, CAIDD:

Chairman Collings invited new member Derek McEachern to introduce himself. McEachern said that he had worked for Central Arizona Irrigation and Drainage District for about 17 years and that his background was largely on the power side of their operations. He said that he was eager to learn more about water issues. Collings thanked McEachern for joining the Authority.

APPROVAL OF MINUTES:

Joe Singleton told members that there was a typo in the draft minutes that had been sent to members, indicating that on page 7 in the last paragraph the reference to a Tier 2A shortage should have read "2023" instead of "202". Bob Marsh moved to approve the minutes as amended from the meeting of October 11, 2022. Stephen Miller seconded the motion, which carried 9-0. **CAMPBELL, COLLINGS, HARTMAN, LENDERKING, MARSH, MCEACHERN, MILLER, RENCHER, SCHNEIDER.**

TREASURER'S REPORT:

Stephen Miller said the bills were standard, but noted that there was a \$100,000 payment to Salt River Project for participation in the Bartlett Dam Modification Project. Miller noted that the Authority was under budget for the year. Fred Schneider moved to accept the Treasurer's Report and pay the bills as presented. Bryan Hartman seconded the motion, which carried 9-0.

PINAL WIFA BOARD REPRESENTATIVES JONATHAN LINES AND RICHARD LUNT:

Joe Singleton and Stephen Miller said that they had been unsuccessful in arranging for newly-appointed WIFA representatives Lines and Lunt to be at the meeting. It was agreed to try to reschedule them at a later meeting.

SUBMITTAL OF LETTER OF INTEREST FOR SCENARIO PLANNING BY LINCOLN INSTITUTE OF LAND POLICY:

Collings said that this topic was to follow up on the presentation by the Lincoln Institute at the Authority's October Board meeting. He asked members if they wished to help host a

community discussion as Lincoln had detailed in their presentation. Stephen Miller said that the process could have some value, but that he was concerned about the time commitment. Collings said that given what the Authority was projecting over the next 4-10 years, particularly through being involved in the Bartlett Dam modification project that it might be beneficial to engage the broader community moving forward in terms of strategic planning and necessary financial resources to obtain additional water supplies. Lacking further discussion, Collings suggested revisiting the topic next year.

MEMBERSHIP PAYMENTS:

Collings said that members had been provided a list of membership contributions over the last several years. Collings indicated that some entities on the list were not on the Board during the timeline on the list, but said that there have been concerns expressed that some entities were not contributing. Hew said that given the Authority's short to intermediate range plans that member participation would become even more important. Collings asked members for comments or suggestions on improving collections. Joe Singleton said that most of the 2022-23 contributions had not yet been requested of members, and explained the individual circumstances of the those that had been requested. Collings thanked those who had participated in 2021-22. Stephen Miller said that the challenge for elected bodies to vote funds is the demonstration of benefit. He said that the Authority may need to approach some of the entities an offer to do a study session to explain the benefits of financial support to the Authority. Fred Schneider agreed with Miller, suggesting that Collings and Singleton should reach out to leadership to pursue conversations regarding their financial participation. Jake Lenderking said that PCWAA could consider a presentation that details the Authority's participation in the Bartlett Dam Modification and other work that shows additional value.

SUMMER CLOUD SEEDING STUDY:

Bill Collings reminded members that Advanced Weather Modification Solutions was the preferred submittal for the Summer Cloud Seeding study project that the Authority had advertised. Collings said that AWMS had submitted a scope of work and fee proposal for the project, which was mistakenly not distributed to members until earlier this morning. Collings said that the fees proposal was less than he had envisioned for the project. Matt Rencher asked if the decision could be put off for a month in order to spend more time with the proposal. Stephen Miller moved to continue the item until the December Board meeting. Fred Schneider seconded the motion, which carried 9-0.

RESPONSES TO ADWR COMMENTS:

Nathan Miller of MATRIX New World Engineering said that they were waiting on some of the decision to be made on what to put into the model in order to do another run. He said that they were fostering the remaining budget through this approach. He said that they were

waiting for ADWR responses on accounting for unmet demands for future long-term storage credits, and how to project demands for the City of Eloy. Miller said that the model would show an area that the depth to water would exceed the 1,100 ' below land surface which is the cutoff in the Pinal AMA for physical availability of supplies for assured water supply purposes.

EXECUTIVE DIRECTOR REPORT:

Joe Singleton told members that he had been working on a variety of administrative items, including several meetings concerning the Bartlett Dam Modification. He said that several groups were working on a needs assessment and criteria, and annual costs. He added that upcoming meetings would cover hydrologic issues and climate change among other topics.

Singleton said that there were still no definitive plans that would mandate savings on the Colorado River. He said that a couple of measures that had been brought up were still largely voluntary. He told members that Henry & Horne, the accounting firm used by PCWAA, would be merging with Baker Tilly, and would be doing business as Baker Tilly after December 1, 2022. Singleton informed members that the leadership at Henry & Horne had reached out to him and told him that they did not expect any changes (other than the name) to their Arizona business. After some discussion, it was agreed to revisit the topic of rates for accounting and audit services after the first of the year.

Singleton told members that the Water Vetting Forum would be meeting on Monday, November 14, 2022. He indicated that the outcome of the elections would determine the new Governor and the makeup of the legislature and its committees. He noted that in addition to these, that voters in Cochise and Graham counties would be voting on the creation on AMAs in the Willcox and Douglas Basins. Singleton said that the Douglas Basin was currently regulated as an Irrigation Non-expansion Area (INA), and that there would be a public hearing in Kingman on Saturday November 12, 2022 regarding making the Hualapai Valley Basin into an INA.

LOBBYIST REPORT:

Joe Singleton said that he had spoken with Cheyenne Walsh recently and that there was no a lot of new activity. Singleton said that in part, the inactivity was due to the election cycle and waiting to see who the committee chairs would be at the state legislature in order to establish the PCWAA legislative strategy moving forward. Singleton said that he had forwarded Walsh's writeup concerning access to the \$200 million of conservation funding that the legislature had appropriated along with the larger appropriation for supply augmentation. He said that Tim Thomure of the City of Tucson had been appointed as the final member of the new WIFA Board.

PINAL STAKEHOLDER PROCESS REPORT:

Stephen Miller said that he had met with the City of Eloy and that they would meet again to discuss the demands in the City's designation application, which the Stakeholder group needs in order to finalize their modelling efforts. He said that Jake Lenderking had organized a working group to discuss legislative strategies for the Stakeholder group. Miller said that the initial WIFA Board meetings would be largely procedural, rather than involve deliberations concerning grant applications. Bill Collings suggested asking Buchanan Davis to regularly update the PCWAA on WIFA activities after the first of the year.

CHAIR'S REPORT:

Bill Collings said that the Bartlett Dam Modification Steering Committee would meet on November 10, 2022. He said that the meeting would cover an overview of the process and well as detailing the annual cost sharing. Collings added that the Needs Subcommittee had met and would meet again on November 17, 2022. Collings said that ultimately the project would require capital funding, and that following discussion with the project managers from SRP, the current cost estimate appeared to be \$2,400 / acre-foot of capacity. Collings suggested that the community begin thinking about how to pay these costs now, rather than put it off too far into the future.

Fred Schneider asked if the funding requirements for the Bartlett Dam Modification project could be a talking point with the incoming legislature. Miller agreed that an eventual legislative solution could be a good outcome.

CALL TO THE AUTHORITY:

There was a call to the Authority. There was no response.

CALL TO THE PUBLIC:

There was a call to the public. Mitch Basefsky of CAP said that the Bureau of Reclamation would be releasing 7 million AF from Lake Powell into Lake Mead next year, as they did this year. He said without a change in conditions that we will probably end up in a Tier 3 shortage for 2024. He said that there was no word on what action that the federal government would take in order to make up the water supplies from the Lower Colorado River Basin that it previously stated would be necessary to maintaining the river system. Basefsky said that a Notice of Intent for a supplemental Environmental Impact Statement had been filed. He said that among other topics, they would study evaporation losses from the lower basin. Basefsky noted that the upper basin water users did not divide up their supplies until after evaporation was accounted for, but that had never been the case with the lower basin states, which would entail some complexity in order to do. He said that some preliminary estimates from the

Southern Nevada Water Authority indicate that the figure for the entire lower basin could be 1.5 million acre-feet for evaporation and losses, showing about 400,000 apportioned to CAP and about 700,000 to California.

Basefsky reminded members that the annual Colorado River Water Users Association conference would be December 14-16, 2022 in Las Vegas. He said that Brenda Burman would be the next General Manager of CAP, and would take over for Ted Cooke after January 6, 2023. He added that there would be a 1.5-hour CAP University educational session concerning power on December 6, 2022. He said that those wishing to participate could register through the CAP website.

NEXT MEETING DATE:


The next meeting will be held on December 13, 2022 at 7:00 a.m.

ADJOURN

The meeting was adjourned at 8:08 a.m.

ATTEST:


William Collings, Chairman


Stephen Q. Miller, Secretary-Treasurer