

Pinal County Water Augmentation Authority

MEETING MINUTES

MINUTES OF MAY 14, 2024:

A meeting of the Pinal County Water Augmentation Authority was convened at 7:02 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
- Bryan Hartman, Maricopa-Stanfield Irrigation & Drainage District
- Bob Marsh, City of Maricopa
- Stephen Q. Miller, Pinal County
- Jake Lenderking, Water utilities without a CAP water subcontract
- Derek McEachern, Central Arizona Irrigation and Drainage District
- Craig McFarland, City of Casa Grande
- Matt Rencher, City of Eloy
- Fred Schneider, Water utilities with a CAP water subcontract

Also Present:

- Joe Singleton, PCWAA Executive Director
- Cheyenne Walsh, Compass Strategies
- Jeremiah Bosowske, Pinal County
- Nathan Miller, MATRIX New World Engineering
- Mitch Basefsky, Central Arizona Project
- Pat Holbrook

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CALL TO ORDER:

Chairman Bill Collings called the meeting to order at 7:02.

APPROVAL OF MINUTES:

Craig McFarland moved to approve the minutes as drafted from the meeting of April 9, 2024. Fred Schneider seconded the motion, which carried 10-0. **CAMPBELL, COLLINGS, HARTMAN, LENDERKING, MARSH, McEACHERN, McFARLAND, MILLER, RENCHER, SCHNEIDER.**

TREASURER'S REPORT:

Stephen Miller told the Board that the monthly expenses were routine, except for the \$100,000 payment to Salt River Project for the Bartlett Dam Modification project. He said that everything was within the parameters of the Authority budget. Bryan Hartman moved to accept the Treasurer's Report and pay the bills as presented. Craig McFarland seconded the motion, which carried 10-0.

PCWAA REFORMATTING STUDY GROUP:

Bill Collings said that he had previously told the Board that he wanted a group of 4-5 members to consider a path that would allow for PCWAA to have ad valorem taxing authority. He asked Joe Singleton if any members had contacted him about serving on the group. Singleton said that Craig McFarland and Stephen Miller had expressed interest in the group at the last Board meeting, and that he had not heard from anyone else since then. Collings asked the group if anyone else was interested in serving on the study group. Jake Lenderking and Fred Schneider said that they would serve on the group. Collings said that concepts should be put together quickly, in order to be in place for the 2025 legislative session. Collings asked Stephen Miller to lead the group.

RESPONSES TO ADWR COMMENTS:

Nathan Miller said that he had put out a revised draft report on May 3, 2024. He said that Matrix had responded to the requests for pumping redistribution that had come up because of the letters that the providers were asked to sign acknowledging the initial redistribution of their projected groundwater pumping. Miller said that he had already received 4 of the 5 new letters back. He said that he expected the last letter to be returned soon, after which they would submit the revised report to ADWR. Stephen Miller asked Nathan Miller how soon the report could be submitted to ADWR. Nathan Miller said he could submit a few days after receiving the last letter.

BARTLETT DAM MODIFICATION:

Bill Collings said that there had not been much activity on the Bartlett Dam Modification process. He told the group that Salt River Project was still waiting for comments on the allocation recommendation to the Bureau of Reclamation (BOR). He said that he had worked with PCWAA attorney Steve Cooper to draft language for agreements with the City of Casa Grande and Global Water Resources, the two PCWAA member entities that had indicated interest in the possible allocation of water to PCWAA from the Bartlett Dam Modification. Collings said that the language would eventually be sent out to the two entities after review, and that he hoped to finalize the documents by October, 2024.

Joe Singleton added that the current payment on the May list of bills to SRP was the third of four annual payments scheduled to SRP for PCWAA participation in the Bartlett Dam Modification as a voting member of the project's steering committee. Collings asked if Singleton had heard back from SRP staff concerning the PCWAA request to join the SRP/CAP interconnect project. Singleton said that he had not, but would reach out to them again after the meeting.

EXECUTIVE DIRECTOR REPORT:

Joe Singleton said that he and Cheyenne Walsh had met with Patrick Adams to discuss PCWAA issues and currently pending legislation. Singleton said that they were told that there was not a Pinal AMA version of the Alternative pathway to Designation of Assured Water Supply (ADAWS) legislation because there were concerns about how the Pinal groundwater allowances would work in the ADAWS proposal. Singleton told members that discussion with Mr. Adams and ADWR staff indicated that there was an intent to work on a Pinal version of the proposal. Singleton said that ADWR had held public meetings on the ADAWS proposal (which mostly excludes the Pinal AMA) on April 22, 2024 and May 1, 2024 to take comment on the proposal. He told the group that ADWR might delay reacting to the comments until some of the water-related legislation that is currently pending completes the legislative process, as some of the providers that might utilize ADAWS have indicated that they need some of the legislation to go through for them to make ADAWS work.

Singleton said that PCWAA had received a letter from the Tohono O'Odham Nation (TON) that expressed concerns with the PCWAA cloud seeding proposal. He said that the tribe had expressed specific concerns regarding the seeding agent and the types of studies concerning cloud seeding that exist. Singleton said that he had forwarded the letter to Advanced Weather Modification Solutions (AWMS) and asked if they knew of relevant studies that might address the TON concerns. Singleton said that he had not heard back from AWMS concerning the airplane or the pilot that might be used for Pinal cloud seeding. Bill Collings said that the PCWAA cloud seeding plans for this summer may have to be deferred, as ADWR still needed to review an application.

Singleton told members that the Authority had signed an engagement letter with Baker Tilly for an audit of the Authority's 2024 finances. He said that Baker Tilly staff had told him that they planned on working on the PCWAA audit in the late-July early-August timeframe.

LOBBYIST REPORT:

Cheyenne Walsh of Compass Strategies told the group that the legislature had only been meeting once a week. She said that a lot of legislative time had been used dealing with the abortion issue, and the Senate had been working on immigration reform. She said that SB 2201 had been calendared for today. Walsh told the group that the other three bills that the Governor's Office had wanted to see together as a legislative package could be amended onto 2201. Walsh said that she expected little if any change to the Queen Creek or Buckeye legislation, but that the Ag-to-Urban legislation still face significant challenges and could be amended. She said that the legislation might be sent to the Governor with Ag-to-Urban provisions that she does not favor, to see if she will veto the entire package over those provisions. Walsh said at this point, with budget negotiations between the Governor's Office and Republican leadership not appearing to go well, that the legislature may be in session until the end of June.

Craig McFarland asked if the ag-to-urban legislation being considered was SB 1172. Walsh said it was, noting that the remaining issues included how the timeline for historical production is considered (agricultural interests are asking for 1 of 5 years, while the Governor's Office wants 3 of 5 years to be used) in qualifying for credit. She added that proponents wanted an expedited (90 days) timeframe in which credits would be awarded, while ADWR was pushing for a timeframe in line with the AWS application timeframes (210 days). Walsh said that replenishment would be in the draft. She said that the Governor's Office wanted to add in HB 2008, which relates to other conservation requirements, but that Republican leadership was opposed. Jake Lenderking asked if he could be forwarded a copy of the combined legislation when it might be available. Walsh said she would pass it along when she saw it.

Walsh reminded members that PCWAA was on the record supporting HB 2201, which now appears to be the vehicle for the package of legislation. She said that the Authority had not originally supported all the legislation that is now part of the package of water bills. Walsh asked the Board if they wished to support the package of bills, suggesting that they do so. Bill Colling said yes.

PINAL STAKEHOLDER PROCESS REPORT:

Stephen Miller said that the strike everything amendment to SB 1056 was going to put the Pinal AMA on the same footing as the Phoenix AMA with respect to replenishment. Miller said that he was told that the Governor's Office told him that the Governor would not sign the bill if it was passed, and that he had asked Rep. Martinez to withdraw the legislation. He added for context that Rep. Martinez had asked ADWR for a list for of pending Pinal AWS

determinations and that she had received a letter from ADWR that did not address her question. He said more meetings resulted from this and would continue May 22, 2024 but that he had told Rep. Martinez of the water availability problems in the Pinal AMA.

CHAIR'S REPORT:

Chairman Collings said that the draft PCWAA budget proposal was sent out to members. Collings said that he intended to bring the budget up for a vote at the June Board meeting. He asked members to get any comments they may have into Joe Singleton. Collings said that the budget was far larger than in the past, noting that the budget was constructed to acknowledge receipt of funds from partners for Bartlett Dam. Collings said that the money may not be used in FY25, but that it needed to be reflected to SRP for PCWAA's role in the Bartlett modification process to continue to move forward. Collings said that it was more likely that those funds would be needed the following fiscal year. Stephen Miller noted that government agencies had to declare everything that they might receive and everything that they might spend. Collings added that PCWAA cash reserves would be greatly impacted if they failed to receive funds from ADWR this year.

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 Colorado River conditions were good, at about 114% of normal. He said that it was likely that conditions would again dictate Tier 1 shortage conditions continuing next year, although the Bureau of Reclamation wants to increase their safety margin in Lake Powell and would only be releasing a maximum of 7.48 MAF to Lake Mead. Basefsky told the Authority that the U.S. Department of the Interior had released the Record of Decision for the Supplemental Environmental Impact Statement for the remainder of the period that the 2007 Guidelines cover. He said that the Lower Basin proposal was accepted, which calls for the Lower Basin to conserve 3 million acre-feet (MAF) in Lake Mead through 2026, with 1.5 MAF mandated by the end of this year. Basefsky said that we were well on the way to meeting the 1.5 MAF goal.

Basefsky said that the Modelling and Analysis Workgroup from the Arizona Reconsultation Committee have provided 5 slides that are available that show the groups hydrology scenarios. He said that these scenarios show varying hydrology for the Colorado system from 11.1 MAF to 14.5 MAF.

Basefsky added that Gilbert, Peoria, and Scottsdale would be recharging in the Southern Avra Valley project in Tucson as part of an exchange with the City of Tucson.

Jeremiah Brosowske of Pinal County introduced himself. He said that he had previously worked for the Colorado River Indian Tribes as their Utilities Director, where they had also studied cloud seeding.

NEXT MEETING DATE:

The next meeting will be held on June 11, 2024 at 7:00 a.m.

ADJOURN

The meeting was adjourned at 8:00 a.m.

ATTEST:


William Collings, Chairman


Stephen Q. Miller, Secretary-Treasurer