

Pinal County Water Augmentation Authority

MEETING MINUTES

MINUTES OF SEPTEMBER 8, 2026:

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
- Stephen Miller, Pinal County
- Keith Eaton, Town of Florence
- Bryan Hartman, Maricopa-Stanfield Irrigation & Drainage District
- Jake Lenderking, Water utilities without a CAP water subcontract
- Bob Marsh, City of Maricopa
- Craig McFarland, City of Casa Grande

Also Present:

- Joe Singleton, PCWAA Executive Director
- Mitch Basefsky, Central Arizona Project
- Cheyenne Walsh, Compass Strategies
- Lonnie Frost
- Nathan Miller, MATRIX New World Engineering
- DeAnn Hauver, MATRIX New World Engineering

P.O. Box 12684, Casa Grande, Arizona, 85130-2684

Office: 520-518-1726

Web: www.pcwaa-az.org

CALL TO ORDER:

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

APPROVAL OF MINUTES:

Stephen Miller moved to approve the minutes of the August 11, 2026 Board meeting. Craig McFarland seconded the motion, which carried 8-0. **CAMPBELL, COLLINGS, HARTMAN, LENDERKING, McFARLAND, MARSH, MILLER, SCHNEIDER.**

TREASURER'S REPORT:

Stephen Miller noted the expenses on the List of Bills were typical, citing payments to Compass Strategies and reimbursements to Joe Singleton. Miller noted the bank statement, with a bank balance of \$813,954.39 as of August 18, 2026. Craig McFarland moved to accept the Treasurer's Report and pay the bills as presented. Bob Marsh seconded the motion, which carried 8-0.

AG TO URBAN:

Joe Singleton said that the topic had come up previously, and that the group had wanted Nathan Miller to discuss it with the Board. Nathan Miller and DeAnn Hauver with MATRIX New World Engineering showed slides from a background presentation. Miller reminded the group that SB 1611 had made Ag to Urban possible during the previous legislative session, and became effective on September 26, 2025. Miller said that under Ag to Urban provisions, that a landowner could relinquish their irrigation grandfathered groundwater rights for groundwater savings credits, which count towards the physical availability requirement under the assured water supply (AWS) program. Miller said that in the Pinal AMA, Ag to Urban allows for 1 acre-foot of water per year for the 100-year assured water supply window, or 60% of the highest use during 3 of the previous 5 years. He added that lands had to meet eligibility requirements in order for Ag to Urban to be utilized. Miller told the group that as the Pinal AMA Ag to Urban allowance was not very big, there were several methods that a landowner might employ to maximize their benefit. He noted that the latest demand calculator from ADWR now allowed for options for users to reduce their interior and exterior water demands on assured water supply applications by utilizing covenants, conditions and restrictions attached to the lands (CC&Rs), smaller lot sizes, and landscape restrictions. DeAnn Hauver confirmed that these were voluntary actions by the landowner. Miller added that relinquishing additional acres in order to obtain enough Ag to Urban groundwater savings credits to meet physical availability requirement under the AWS rules might be an option for some landowners. Miller noted that while there was a lot of agricultural land in the Pinal AMA, the path of development might not always be on agricultural land, which could create a conflict. He reminded members that current groundwater modelling indicated several places in the AMA

where projected 100-year groundwater levels would fall below the 1,100' below land surface limit in the Pinal AWS rules. Miller said that he had been told by at least one applicant that ADWR was requiring detailed filings for applying for Ag to Urban, that may include refiling.

Craig McFarland asked if any Pinal landowners had applied for an Ag to Urban determination. Miller said that three submittals had been issued, and that two more were pending. Jake Lenderking said that there were several applications in the Global Water Company service area. He added that he thought Miller had done a good job of covering the application process, noting the same challenges in the ADWR application / review process that Miller had brought up. Lenderking asked if Miller had encountered an applicant that ADWR asked to submit additional modelling information based on in-lieu water. Miller said that he had not. Bryan Hartman asked how ADWR would interpret the 1,100' limit in the AWS rules per the Ag to Urban applications. Miller said that he thought that they were doing it by well. McFarland asked how Global Water would use Ag to Urban groundwater savings credits relative to their Designation of AWS (DAWS). Lenderking said that the credits would be pledged to Global, and that they would include them in their Designation of AWS by applying to modify their DAWS. He noted that the company's development agreements require the landowner to turn over their appurtenant water rights to the utility as a condition of service.

COLORADO RIVER:

Mitch Basefsky of the Central Arizona Project briefed the group on the current state of Colorado River talks. He said that on August 21, 2026, the U.S. Dept. of Interior issued a Record of Decision (ROD) and operating guidelines for the Colorado River for the next 10 years. He said that the framework allows the federal government to cut deliveries up to 3 million acre-feet (MAF) annually based on Colorado River user priority, noting that CAP would be of lower priority than California and Nevada, as well as the Upper Basin states. Basefsky said that although the federal government claimed to be following the Law of the River, that it was, in fact, not doing so through this proposal. He said that the current operating guidelines would apply to 2027 and 2028. Basefsky told the group that the operating guidelines mostly reflect the proposal of the Lower Basin states to cut up to 1.25 MAF annually from Lower Basin allocations (760,000 AF from Arizona) and for the Lower Basin states to try to do additional water conservation of 700,000 AF (300,000 from Arizona). He said that the 760,00 AF in mandatory cuts would translate into reductions of 14% to CAP municipal and industrial contractors, and 10% to tribal customers. He noted that it was still undecided how much of these might be firmed to make up some (or all) of the difference. Basefsky said that water releases to Lake Mead from Lake Powell would still depend on water level elevation in Lake Powell. He noted that in case of low water levels in Lake Powell, that releases could be as low as 5 MAF. Basefsky noted that this appeared to protect Lake Powell at the expense of Lake Mead. He said that current levels in Lake Powell would correspond to a release to Lake Mead of 6-7 MAF for 2027. He said procedurally, that the Bureau of Reclamation (BOR) would begin with the assumption that they would release 7 MAF to Lake Mead, and next April (the traditionally time when BOR uses their projections of water levels in the lakes) make a decision if it needed to be adjusted up or down. Basefsky said that this could be problematic for Lake

Mead, noting that it could make the difference in water levels in the lake remaining above 1,010' in elevation, which is the trigger point for additional actions. He said that a 7 MAF release would likely allow for levels to remain between 1,020 – 1,030' in elevation, and probably forestall falling under 1,010' in elevation until late-2028. He said that an initial release of 6 MAF would probably lead to water levels falling below 1,010', requiring the Lower Basin states to sacrifice more, and could lead to lake levels below 1,000'. He noted that minimum power pool for Lake Mead was 950', and the dead pool level, at which water will no longer flow through the dam, is 875'. Basefsky noted that Nevada had filed suit against the federal government to negate the ROD and the operating guidelines. He said that the Central Arizona Water Conservation District Board, being familiar with the issues, had authorized their General Manager and Counsel to also file suit if they felt it necessary, in consultation with their Executive Committee.

Keith Eaton thanked Basefsky for the presentation. He said that Florence was considering requiring water-saving elements in their new building codes. He asked if there were existing materials detailing different measures that might be utilized. Basefsky noted that CAP does not have any guidelines for those practices, but that their website contains links to other cities and towns in order to see what they are doing. He added that the Arizona Municipal Water Users Association could be a good resource, as well as Tucson Water. Stephen Miller said that there were some programs currently being utilized. Bill Collings suggested checking the Las Vegas ordinances, as he understood them to be extreme. Miller said that instant hot water pumps could be useful, and were utilized in commercial buildings. Miller added that CAP would sign an agreement with the Colorado River Indian Tribes (CRIT) on Friday, in which some of the water that the CRIT had previously conserved would be converted into Intentionally Created Surplus to prevent its loss. Miller said that he appreciated the CRIT participation in contributing towards statewide goals. Bryan Hartman asked if the 10% reduction to tribal water deliveries that Basefsky spoke of would affect the Ak-Chin, as they had high-priority water. Basefsky said that Ak-Chin had the highest priority on the CAP system, and could be unaffected by the reductions. He said that CAP staff and legal counsel would study the issue. Melissa Campbell said that according to the Ak-Chin's farm manager, that they were planning on taking cuts.

BARTLETT DAM MODIFICATION / SCIF:

Bill Collings said that the Verde River Sediment Mitigation (i.e. "Bartlett Dam") Steering Committee had met on August 13, 2026. Collings said that cost projections had risen from \$3.7 billion to \$4.4 billion, which corresponds to an increase in capacity cost from \$9,900 / AF to \$11,800 / AF. Collings said that he recommends considering the ultimate cost for bonding purposes to be \$15,000 / AF, noting that the current figures are based on the 30% design benchmark and 100% design would not be reached until at least 2028. Collings said that the non-federal working group would meet on September 22, 2026. Joe Singleton agreed that adding another 25% to the current cost for financing was a good idea.

EXECUTIVE DIRECTOR REPORT:

Joe Singleton told members that he was uncertain how much of the shortfall in CAP water would be firmed. Singleton said that there was an Arizona Water Banking Authority (AWBA) meeting tomorrow, noting that they had an agenda item touching on this. He said they would also be discussing the 2027 AWBA Plan of Operation at that meeting. Singleton said that the Arizona Reconsultation Committee had met shortly after the Record of Decision on the Colorado River was issued. He said that the decision was widely discussed at that meeting, noting that the proposal by the Lower Basin states made up the bulk of the operating guidelines for the next 2 years. Singleton said that it was raised at the meeting that the federal government had agreed to put some money forward in order to get an agreement among the Basin states before issuing the ROD. Singleton said that he wondered if the money was the Bucket 2 money that had been considered available in exchange for water or credits to buy down the individual partners' construction costs on the SRP / CAP Interconnection Facility. He said that he was pursuing an answer. Singleton said that the audit work was largely completed.

LOBBYIST REPORT:

Cheyenne Walsh said that early ballots for the upcoming election would go out on October 7, 2026. She said that it was possible that the legislature would have a special session on the Colorado River issues. She said that it could depend on an agreement between the Lower Basin states and noted that the legislature had been pushing the Governor's Office and ADWR for updates on the Colorado talks. Walsh told members that the next regular legislative sessions would begin on January 11, 2027. She said that Labor Day marked the informal kickoff to start preparing issues for the next legislature. She noted that this year work would begin in earnest after the midterm elections.

PCWAA FUNDING:

Stephen Miller said that the group was working on a spreadsheet to determine how much money to seek. Jak Lenderking added that he like Chairman Collings suggestion of growing the Bartlett costs to \$15,000 / AF, noting that it should help put the spreadsheet together.

CHAIR'S REPORT:

Chairman Bill Collings said that the Pinal AMA Groundwater Users Advisory Council would meet on September 24, 2026 at 1:00 p.m. at Casa Grande City Hall. He said that the Drylands Alliance for Addressing Water Needs, which had recently presented their project to PCWAA, was listed on the Arizona Water Protection Fund website as a project applicant for a \$252,000 funding request.

CALL TO THE AUTHORITY:

There was a call to the Authority. Stephen Miller said that Alex Arboleda, one of his colleagues on the CAP Board, had asked Miller if the Authority had looked into A.R.S Title 48 Chapter 22 for funding options.

CALL TO THE PUBLIC:

There was a call to the public. Lonnie Frost asked how the 300,000 AF of long-term storage credits held by Nevada in the Pinal AMA play into discussions and potential actions concerning the projected CAP shortage. Craig McFarland noted that Nevada has filed suit against the federal government concerning the Colorado River ROD, and had heard that Arizona may also file suit.

NEXT MEETING DATE:

The next meeting will be held on October 13, 2026 at 7:00 a.m.

ADJOURN

The meeting was adjourned at 8:13 a.m.

ATTEST:


William Collings, Chairman


Stephen Q. Miller, Secretary-Treasurer