

**MINUTES OF THE SPECIAL MEETING
TOWN COUNCIL WATER AND UTILITIES SUBCOMMITTEE
TOWN OF CHINO VALLEY**

**TUESDAY, JANUARY 12, 2021
3:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Jack Miller, Mayor; Corey Mendoza, Vice Mayor; Lon Turner, Chair

Staff Frank Marbury, Public Works Director/Town Engineer; Mark Davis, Street

Present: Superintendent; Mike Bovee, Utilities Manager; Eric Granillo (remotely/observation), Councilmember

Attendees: Mark Holmes, Water Services Consultant, William Greenslade(remotely), Matrix New World Engineering, James Holt, Civiltec Representative, Richard Aldridge, Civiltec Representative, Richard Shroads, Civiltec Representative, Celia Van der Molen, Landscape Architect

1) CALL TO ORDER

2) ROLL CALL

3) APPROVAL OF MINUTES

- a)** Consideration and possible action to approve the October 13, 2020, regular meeting minutes.

MOVED by Mayor Jack Miller, seconded by Vice Mayor Corey Mendoza to approve the October 13, 2020, regular meeting minutes as written.

AYE: Mayor Jack Miller, Vice Mayor Corey Mendoza, Chair Lon Turner

3 - 0 PASSED - Unanimously

4) ENGINEER'S REPORT

Frank Marbury reported the following:

- There was an emergency repair and replacement of permeate piping at the Wastewater Treatment Plant. It would take three nights to do the repair. Staff did a temporary fix, and they were able to find only one contractor, Double Down Construction that had the manpower to do the work during off hours. The finished repair work should last 15 to 20-years.

5) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Subcommittee concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 15 minutes per meeting. Subcommittee action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism.

6) OLD BUSINESS

- a) Discussion regarding the final septage receiving study report.

Frank Marbury explained the report had been emailed out to the committee. He requested the item be tabled to make time for the presentation for water resources. Questions regarding the report would be discussed at the next meeting.

7) NEW BUSINESS

- a) Presentation of the water resources workshop by Civiltec for Integrated Water Master Plan.

Mark Holmes explained Civiltec was onboard and this should be the last workshop which would cover water resources and reclaimed water.

Mark Holmes, Celia van der Molen, William Greenslade and Richard Aldridge discussed the following:

- Provided a general overview of work that went into the development of the Water Master Plan.
- This meeting was to deal with the Water Resources Discharge and Celia was attending the meeting to answer any questions regarding landscaping.

Landscaping:

- An overview of the landscaping for Old Home Manor (OHM) was provided. Celia was focusing on a list of landscape plants that would do well in Town. They were looking at all areas, Equestrian Park, RV Park, recreational areas, and how they will come together. They were also looking at rain capturing and rainwater harvesting for landscaping purposes.
- They were working with Development Services Director to unify the current UDO and tying in all aspects and elements to ensure a cohesive process. They were also working with the Town's Parks Department to ensure everything was as economical as possible for maintenance, upkeep, and installation.
- All landscaping would need to be on a separate irrigation system supplementing the rainwater harvesting water system. The plants would eventually be pulled off the system and only be

watered by rainwater. The overall design would incorporate active rainwater capturing systems that would include mechanical roof tanks and pumps that would augment those requirements. OHM was looked at through a passive watering system standpoint, which would include parking lots in which rainwater would flow into the landscape areas.

- The landscape plan would be the best management strategy that would provide a set of guidelines to developers which would help minimize the outdoor water component.
- The passive water plan would include retention basins that would allow water to run into a large, landscaped area. Some design may depend on the area landscape and it would be a site-by-site analysis. There could be more active collection as well, with water stored in tanks.
- The study took into consideration the average rainfall when determining the landscaping plantings. They would be drought tolerant and cost beneficial.

Water Resources

General Overview:

- A map was provided showing the Town boundaries, and outline of the OHM area and well locations
- The Town's water supply was groundwater, and they did not have access to a surface water supply to augment the Town's water portfolio. The Town was overlying a very productive aquifer which was evident by the wells in the area, which were shallow compared to other AMA's. The shallow wells meant less cost to the Town and there was a lot of water production from single wells.
- Current capacity of the wells was around 1,660 gallons per minute.
- The service area was defined as 660 feet on either side of the water distribution line.
- An overview of OHM, well distribution, and recharge facilities was provided to the Committee. Type I water right areas were also overviewed.
- *Water Recharge:* The Town operated their OHM recharge project under ADWR permits, which were set to expire in 2025, if not renewed before the expiration date. Recharged water went to the Town's reclamation facility and the facility had been designed to expand over time to meet future demands. All effluents from the facility were permitted to go to the recharge facility, which was permitted for 1,120 acre feet per year. There was a total of twelve one acre basins, eight of which had been constructed and worked well. The Town was operating in an efficient way and there was no need to expand the facility in the near future. Recharge volumes averaged in the 280 per acre feet per year. Long term storage for the facility was approximately 2,700 acre feet. They expect that in a 10year time period, the long term storage account would more than double.
- *Water Demand:* Water demand capacity for the service area well was about 2,600 gallons per minute and the Highlands Ranch demand was only about 1,000 gallons per minute. Without Highlands Ranch, the demand for all the service area wells was approximately 2,300 gallons per minute. Current well capacity was subject to go down and there was a recommendation that it be addressed over the next five year period.
- *Service Area Water Rights:* There were two kinds of water: wet water and paper water. Part of the paper water included water rights. The Town operated under a service area right with ADWR. The service area right for Town authorized them to draw and transport groundwater to serve its current and new customers. Those customers are ones not related to certificates of assured water supply in newly subdivided lands. The Town's customer demand would mainly be from businesses, industrial and commercial purposes, as opposed to subdivision purposes. A service area right in an active management area was not quantified and fixed, and could grow as demand grew. The Town's service area right could be expanded by the installation of larger pumps or drilling new wells to provide a sufficient supply of water for current and new customers.
- *Grandfathered Rights:* The Town had several grandfathered water rights, including two Type I rights, for a total of 29.8acre feet per year. One piece of land under the Type I right was the

ball field grounds and the other was in Appaloosa Meadows. The Town also had three Type II non irrigation rights amounting to approximately 32acre feet per year. They could be used from any active management area they were derived from, could be bought and sold, and the point of withdrawal could also be changed. They were valuable water rights.

- *Extinguishing Credits:* ADWR issued assured water supply rules for the Prescott Active Management Area, and a program was established that provided grandfathered water right owners the opportunity to extinguish rights for assured water supply credits. In exchange for irrigation grandfathered rights, holders promised to never irrigate their lands again. The department would issue assured water right credits pursuant to a formula which offered an incentive for this decision to be made earlier than opposed to later. It was estimated that 85% of irrigation users within AMA's had been extinguished. There were a considerable number of extinguishment credits that could be placed for assured water supply purposes to allow for the subdivision of new land in the AMA. The Town had four certificates of extinguishment credits, with a balance of 7,500acre feet of unpledged credits. The credits could be used for new subdivisions to meet the ADWR assured water supply requirement.
- *Big Chino Subbasin groundwater importation:* The Big Chino subbasin was part of the Verde River groundwater basin the lies north of the AMA. The boundary of the Prescott AMA has a groundwater aquifer that was separate and distinct from the groundwater located in aquifers that are adjoined. In recognition of the fact that there was no supply to surface water to augment limited groundwater supply within the AMA, the State Legislature allowed for the importation of groundwater from the Big Chino subbasin by cities and towns within the AMA. The Town had a number of areas that had been examined in order to secure water supply for the eventual importation into the AMA and Town to augment the groundwater supply.
- *Statutory Authorization of Groundwater Importation:* The timing of construction of new infrastructure was important. The Town had two authorizations from ADWR to import water from the Big Chino, with a total of 2850 acre feet per year that could be imported into the Town. The Chino Grande agreement for the Big Chino was subject to renegotiation for water supply access, but relationships and a history should provide an opportunity for the Town's renegotiations to restore the agreement. Importation of water from the Big Chino was controversial because water from the aquifer from the Big Chino can affect the springs that are the headwaters to the Verde River. They are looking at ways to mitigate concerns about the importation of water. Implementing the plan and getting water to the Town would take more work.
- *Historic Water Demand:* The water demand had been broken down by type of use over the previous five years. The single family demand had risen steadily, multifamily had risen but not steadily, and non-residential use had remained the same.
- *Water Production Wells:* A loss of either of the two production wells would result in a deficit and should be looked at. Civiltec had been researching the possibility of activating an existing well in the OHM area to augment the supply and create a redundancy in the system. There were advantages to having a well located within the OAI recharge facility.
- *Provider Size:* The Town was approaching 250 acre feet per year, which was the boundary between a small provider and large municipal provider. ADWR would soon be notifying the Town they were considered a large provider. The management plan for the Prescott AMA described a large municipal provider as supplying in excess of 250 acre feet of water for non-irrigation uses. New large water providers were subject to a number of programs and obligations not required as a small provider. In 2019, the Town's groundwater pumping exceeded 250 acre feet and it was likely the Town would continue to exceed that amount per year.
- *Provider Transition:* The Town would be asked to submit a water provider profile within six months once ADWR had determined them to be a large water provider. The additional requirements that Town would have to implement was a result of the transition. The additional

requirements ranged from a public information program to service connection requirements by implementing one item from the best management practices from the requirement list into the Town's plan. The Town requirements would include conservation reports, rate structures, and five year retention of records. Industrial users had their own conservation requirements which would need to be addressed in the Town's report submitted to ADWR. There were also distribution requirements that allowed for no more than 10% of all water delivered to be lost or unaccounted for. A report was required as well as other monitoring and recording requirements.

- *Assured Water Supply*: Developers were required to obtain a certificate of assured water for 100 years from ADWR. The Town could assist developers by providing the physical availability demonstration analysis, pledge recharge extinguishing credits, or agree to be the water provider satisfying the continuous water supply requirements.
- *Fifth Management Plan*: It would go from 2020 to 2025, and the Fourth Management Plan would be the dictating conservation plan until the new plan was promulgated. ADWR had several work groups that were working on the issues for the Fifth Management Plan that cross all the active management plan areas. Participants of the planning workgroup were reviewed with the Committee.

Consultants and Committee Members discussed the following:

- *Future Water Related Issues and Requirements for Large Providers*: The Town was already doing the required monitoring and compliance issues. They also had a seven year record retention process. They had compliance with the distribution, monitoring and reporting requirements but would have to do some additional things to comply with requirements using the best management practices. The Town did not have to wait for notification to begin the preparation process, and being proactive would benefit the Town.
- *Extinguishment Credits*: It was important the Town evaluate all extinguishment rights and credits as they became available because if the Town did not act on them, someone else would. Even a small number of credits would help build the Town's portfolio. It was important to keep established relationships and agreements.
- *Groundwater Permits*: The permits needed to be renewed every 20 years and had to have everything submitted to renew their current permit by 2025.

8) ADJOURNMENT

MOVED by Mayor Jack Miller, seconded by Vice Mayor Corey Mendoza to adjourn the meeting at 4:25 p.m.

AYE: Mayor Jack Miller, Vice Mayor Corey Mendoza, Chair Lon Turner

3 - 0 PASSED - Unanimously

Submitted: January 28, 2021.

By: *Traci Lavelle, Deputy Town Clerk*

Approved: February 9th, 2021.

