

SCOTTSDALE CITY COUNCIL
WORK STUDY MINUTES
TUESDAY, MAY 3, 2022



CITY HALL KIVA
3939 N. DRINKWATER BOULEVARD
SCOTTSDALE, AZ 85251

CALL TO ORDER

Mayor David D. Ortega called to order a Work Study Meeting of the Scottsdale City Council at 4:00 P.M. on Tuesday, May 3, 2022 in the City Hall Kiva Forum.

ROLL CALL

Present: Mayor David D. Ortega; Vice Mayor Tammy Caputi; and Councilmembers Tom Durham, Betty Janik (who participated electronically), Kathy Littlefield, Linda Milhaven and Solange Whitehead

Also Present: City Manager Jim Thompson, City Attorney Sherry Scott, City Treasurer Sonia Andrews, City Auditor Sharron Walker, and City Clerk Ben Lane

PUBLIC COMMENT – None

- 1. Citizens Committee to Continue 0.2% Sales Tax**
Request: Presentation, discussion, and possible direction to staff regarding the formation of a citizens committee to continue the 0.2% sales tax.
Presenter(s): Sonia Andrews, City Treasurer
Staff Contact(s): Gina Kirklin, Finance Director, 480-312-5006, gkirklin@scottsdaleaz.gov
(See page 2)
- 2. Colorado River Drought and Shortage Update**
Request: Presentation, discussion, and possible direction to staff regarding the Colorado River Basin drought and shortage based on the United States Bureau of Reclamation April 2022 24-Month Study.
Presenter(s): Brian Biesemeyer, Water Resources Executive Director
Staff Contact(s): Brian Biesemeyer, Water Resources Executive Director, 480-312-5683, bbiesemeyer@scottsdaleaz.gov

The City Council discussed Work Study Item No. 2 [Colorado River Drought and Shortage Update] first.

NOTE: MINUTES OF CITY COUNCIL MEETINGS AND WORK STUDY SESSIONS ARE PREPARED IN ACCORDANCE WITH THE PROVISIONS OF ARIZONA REVISED STATUTES. THESE MINUTES ARE INTENDED TO BE AN ACCURATE REFLECTION OF ACTION TAKEN AND DIRECTION GIVEN BY THE CITY COUNCIL AND ARE NOT VERBATIM TRANSCRIPTS. DIGITAL RECORDINGS AND CLOSED CAPTION TRANSCRIPTS OF SCOTTSDALE CITY COUNCIL MEETINGS ARE AVAILABLE ONLINE AND ARE ON FILE IN THE CITY CLERK'S OFFICE.

Water Resources Executive Director Brian Biesemeyer and Water Policy Manager Gretchen Baumgardner gave the PowerPoint presentation (attached) on the Colorado River drought and shortage.

Councilmembers made the following suggestions:

- Without disclosing private information or naming individual users, implement tier targets for conservation to give residents confidence the City is targeting segments that are the largest water users.
- Work with state, regional and federal partners to address these issues, as this is a regional concern.
- Continue to develop, encourage use of, and implement, as needed, water conservation plans.
- Ensure the City manages its own water supply.
- Need to balance water conservation plans with ongoing development needs.
- Provide the City Council with data on total water use, including drinking water, reclaimed water, and non-potable water.
- Staff to consider and plan for worst case scenarios, which are predicated on existing data and information.
- Increase additional water sources.
- Explore infrastructure improvements, including possibly building lift stations.

At 4:54 P.M., the City Council recessed the Work Study Session.

At 8:30 P.M., the City Council reconvened to consider Work Study Session Item No. 1 [Citizens Committee to Continue 0.2% Sales Tax].

1. Citizens Committee to Continue 0.2% Sales Tax

Request: Presentation, discussion, and possible direction to staff regarding the formation of a citizens committee to continue the 0.2% sales tax.

Presenter(s): Sonia Andrews, City Treasurer

Staff Contact(s): Gina Kirklin, Finance Director, 480-312-5006,
gkirklin@scottsdaleaz.gov


MOTION AND VOTE – ITEM 1

Councilwoman Whitehead made a motion to continue Item 1 [Citizens Committee to Continue 0.2% Sales Tax] to the next scheduled Work Study Session on May 17, 2022. Councilwoman Littlefield seconded the motion, which carried 7/0, with Mayor Ortega; Vice Mayor Caputi; and Councilmembers Durham, Janik, Littlefield, Milhaven, and Whitehead voting in the affirmative.

ADJOURNMENT

Mayor David D. Ortega adjourned the Work Study Session at 8:32 P.M.

SUBMITTED BY:



Ben Lane, City Clerk

Officially approved by the City Council on June 7, 2022

CERTIFICATE

I hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Work Study Session of the City Council of Scottsdale, Arizona held on the 3rd day of May 2022.

I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 7th day of June 2022.



Ben Lane, City Clerk

Scottsdale Water Colorado River Shortage Update



Scottsdale Council Work Study Session
May 3rd, 2022



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Colorado River Conditions Update

Timeline of recent events

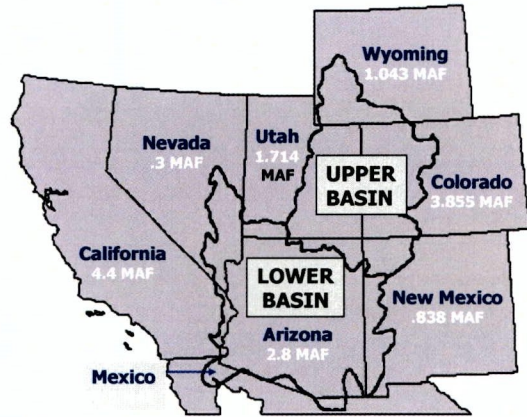
- Tier 1 shortage declared
- Scottsdale activated Drought Management Plan
- Scottsdale Water presented to council October 2021
- Increased Water Awareness messaging, conservation programs & internal evaluation.
- Updated hydrologic projections
- Department of Interior letter
- Additional Programs

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Colorado River Supplies

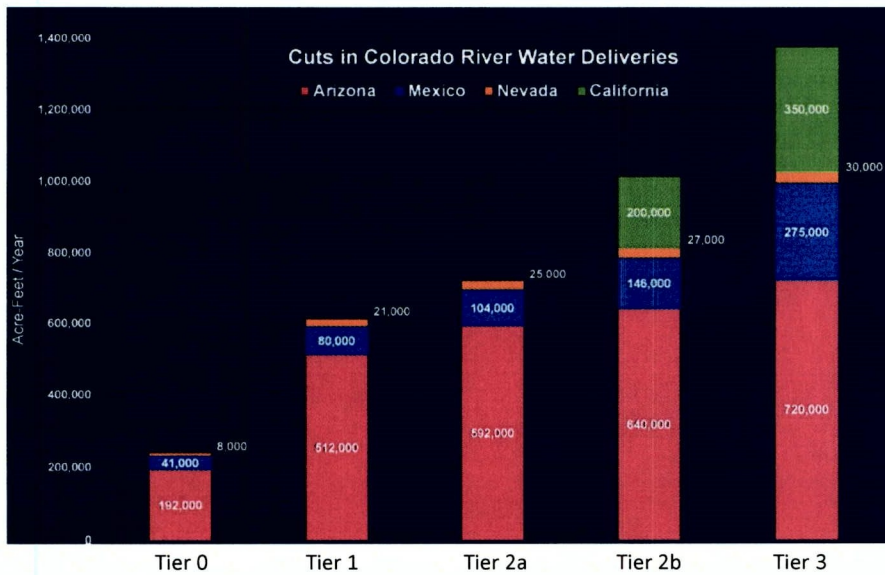
- Water allocations handled by a very complex governance system: "The Law of the River".
- CAP water is junior in the lower basin.

Basin	Amount
Upper Basin	7.5 maf
Lower Basin	7.5 maf
Subtotal	15.0 maf
Mexico	1.5 maf
Total	16.5* maf

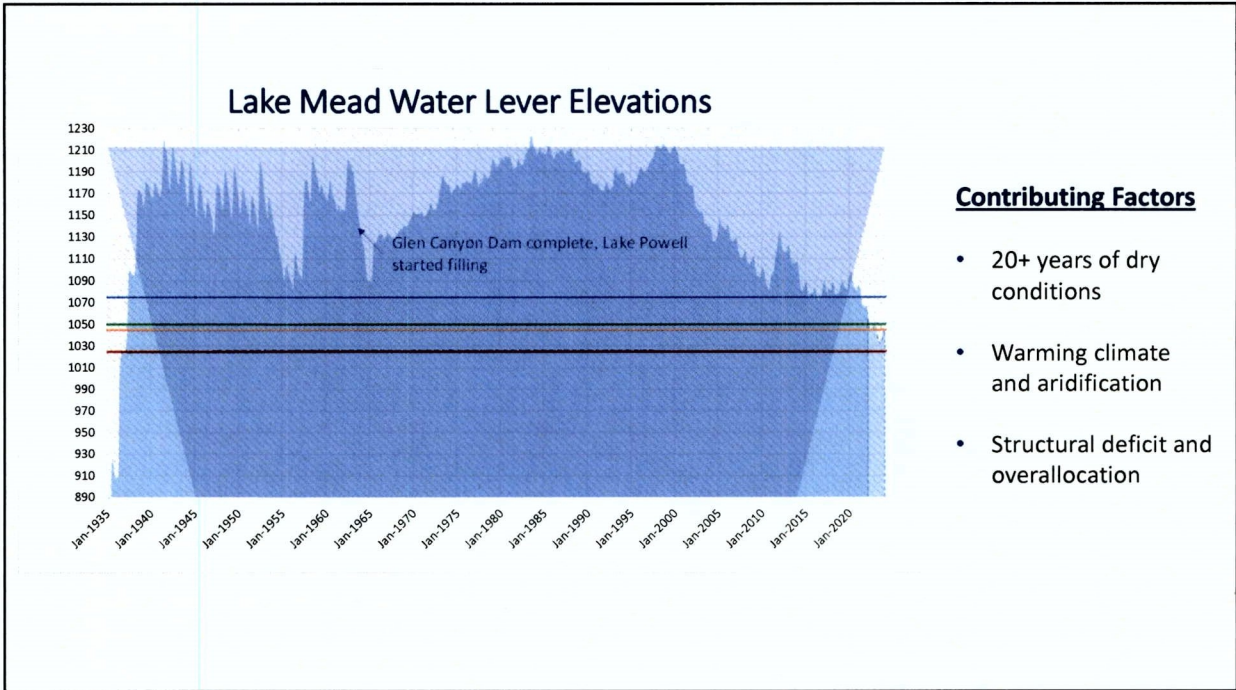


*Based on only thirty years of streamflow records starting in the late 1890

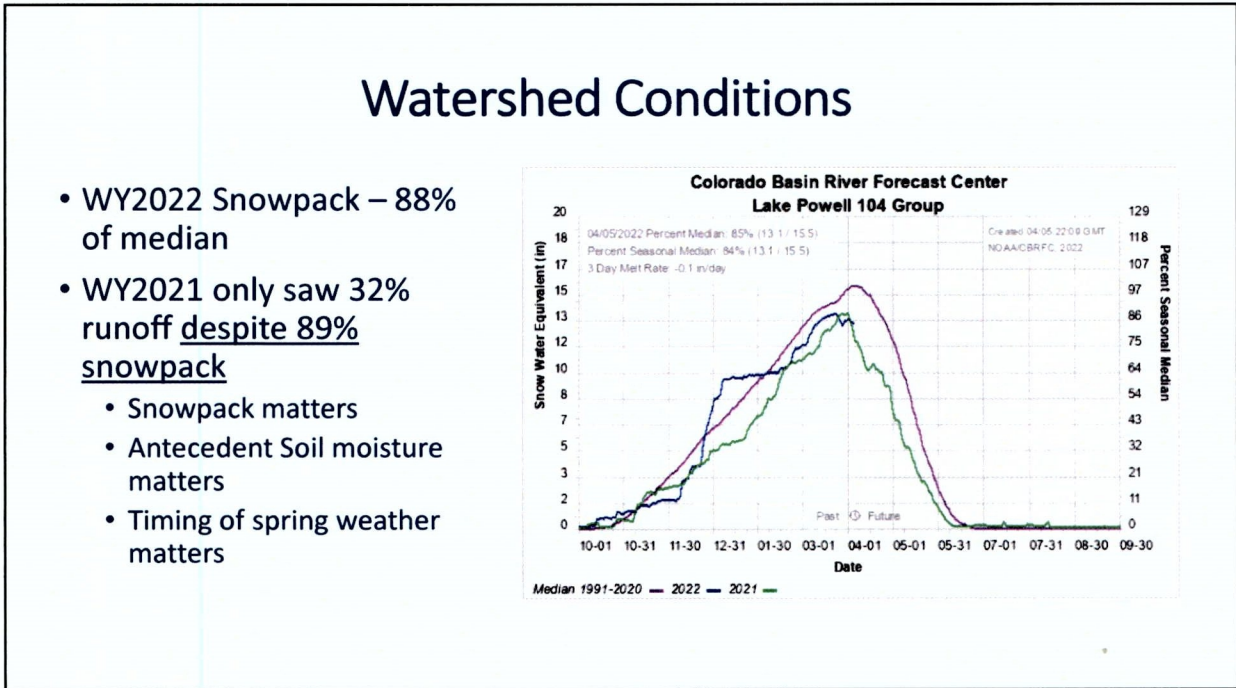
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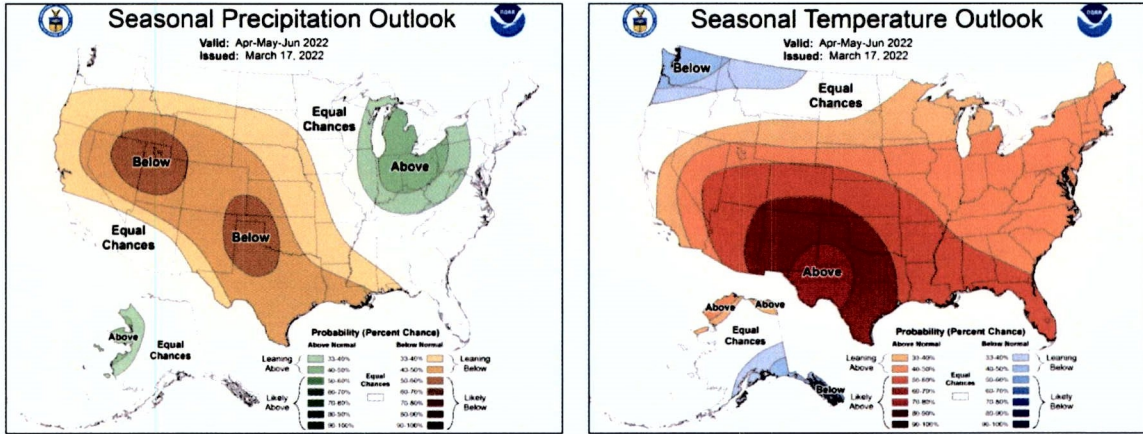


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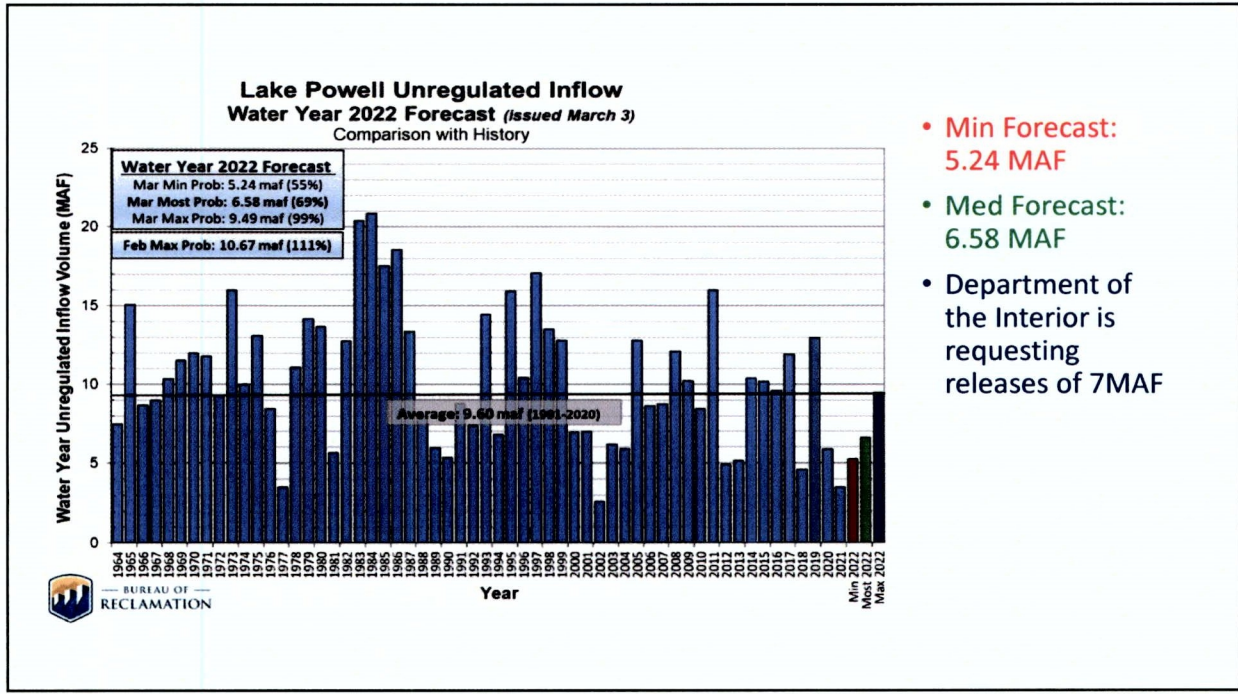


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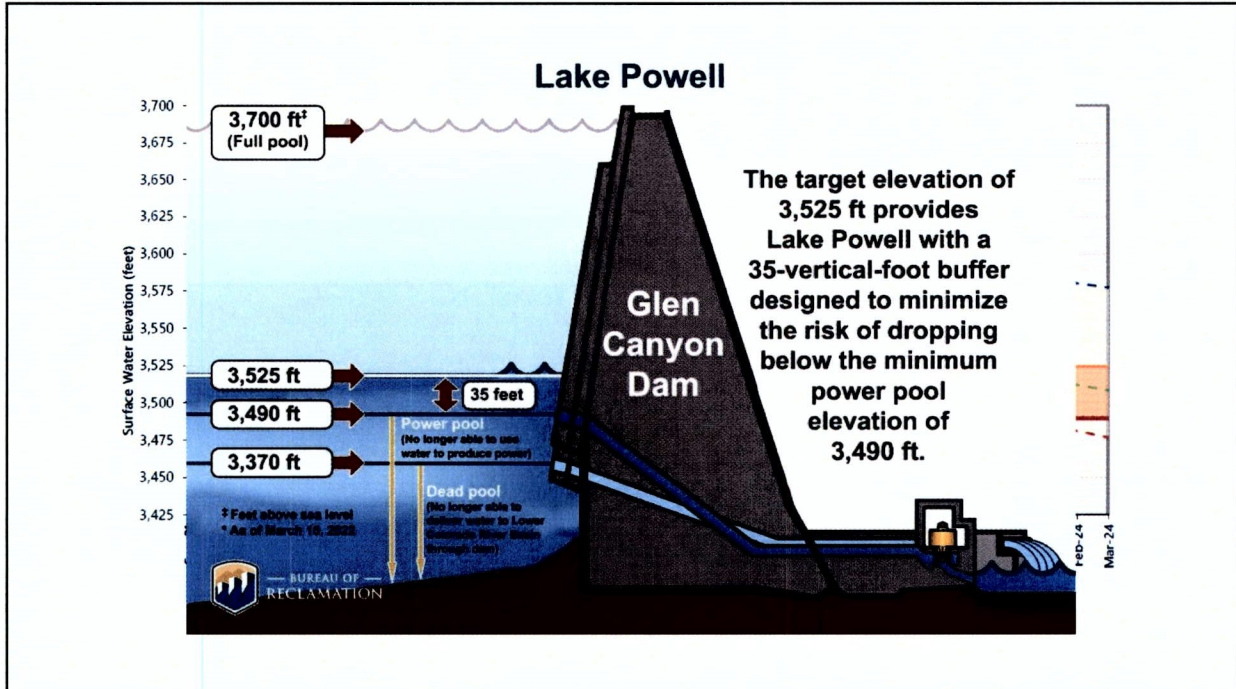
Spring Outlook Conditions



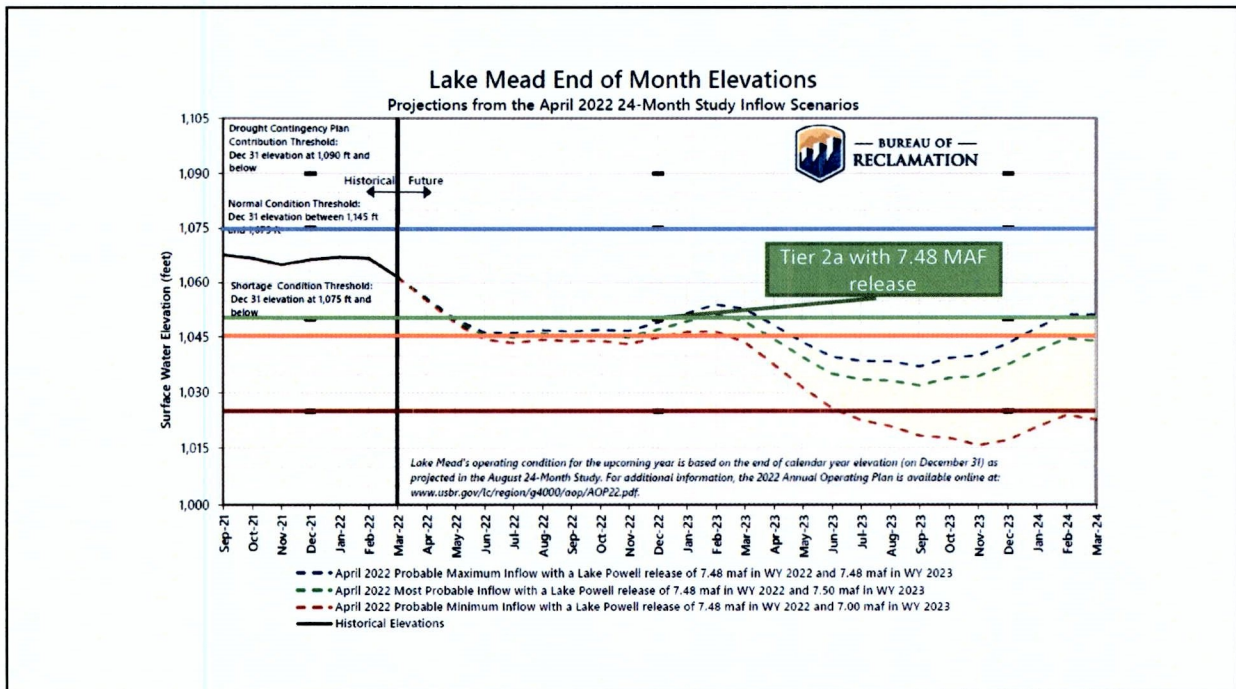
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United States Department of the Interior
OFFICE OF THE SECRETARY
Washington, DC 20240

Mr. Thomas Buschitzke
Governor's Representative
State of Arizona
P.O. Box 36020
Phoenix, Arizona 85067

APR 08 2022

Dear Mr. Buschitzke:

As all who rely on the Colorado River are well aware, the Colorado River Basin is experiencing prolonged drought, low runoff conditions, and depleted storage in Lake Powell and Lake Mead. Recent studies indicate we are experiencing the driest conditions in the Basin in more than 1,200 years. These unprecedented challenges and changes in the Basin's runoff began more than two decades ago. The best available science indicates that the effects of climate change will continue to adversely impact the basin.

In light of the continuing drought and low runoff conditions, in recent weeks technical staff from the Bureau of Reclamation, along with resource leadership, have communicated our concerns with projected runoff in the Colorado River Basin and the risk of Lake Powell and Lake Mead declining to artificially-low elevations over the next 24 months. Our staff has worked diligently to explain the basis for these risks and concerns with representatives of the Basin's Tribal nations, other federal and state agencies, the Republic of Mexico, water users, and non-Governmental Organizations (NGOs). As you know, we have also communicated these concerns to each of you in your roles as the Governor's Representatives of the seven Colorado River Basin States.

Presently, staff from the Bureau of Reclamation and the Upper Division States are working closely with the Lower Division States, Tribes, other federal agencies, and NGOs to complete a 2022 Drought Response Operations Plan, as required by the 2019 Colorado River Drought Contingency Plan Authorization Act, Pub. L. No. 116-14, Apr. 16, 2019. We are prioritizing these efforts and anticipate that the 2022 Drought Response Operations Plan will be finalized within the month.

Notwithstanding these robust, ongoing efforts to analyze potential releases from Colorado River Storage Project initial limit to protect critical elevations at Lake Powell, we believe that additional actions are needed to reduce the risk of Lake Powell dropping to elevations at which Glen Canyon Dam releases could only be accomplished through the river outlet works (i.e., below elevation 3400' mean sea level (msl)), or hydropower operations infrastructure at Glen Canyon Dam would be adversely impacted (i.e., as reservoir elevations decline towards elevation 3400' msl). In such circumstances, Glen Canyon Dam facilities face unprecedented operational reliability challenges, water users in the Basin face increased uncertainty, downstream resources could be impacted, the western electrical grid would experience uncertain risk and instability, and water and power supplies to the West and Southwestern United States would be subject to increased operational uncertainty.

Sincerely,

Laura Trullie
Laura Trullie
Assistant Secretary
for Water and Reclamation

cc: Camille Calimlin, Tucson, Commissioner, Bureau of Reclamation
David M. Patache, Acting Commissioner, Bureau of Reclamation
Wayne G. Pullan, Regional Director, Bureau of Reclamation
Jacklynne L. Gould, Regional Director, Bureau of Reclamation

Identical Letters Sent To:

Mr. Estevan Lopez
Governor's Representative
State of New Mexico
P.O. Box 25102
Santa Fe, New Mexico 87504

Mr. Gene Shaveroff
Governor's Representative
State of Utah
1426 E. 750 N, Suite 400
Ogden, Utah 84067

Mr. John J. Jaraminger
Governor's Representative
State of Nevada
1001 S. Valley View Blvd.
Las Vegas, Nevada 89153

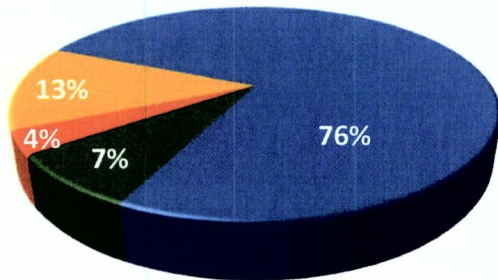
Ms. Rebecca Mitchell
Governor's Representative
State of Colorado
1313 Sherman Street, Room 718
Denver, Colorado 80201

Mr. Peter Nelson
Governor's Representative
State of California
770 Interior Avenue, Suite 100
Glendale, California 91203

Mr. Patrick T. Tyrrell
Governor's Representative
State of Wyoming
122 West 28th Street
Cheyenne, Wyoming 82002

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2021 Water Delivery to Customers



- CAP (Colorado River Water): 69,000 AF
- SRP (Salt River Project Water): 12,000 AF
- Groundwater: 4,000 AF
- Reclaimed: 6,500 AF

Total Water Delivered: 91,500 AF
(~82 MGD)

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Scottsdale's 2014 100-yr Assured Water Designation Portfolio

- Groundwater: 12,945 AF
 - Ground water allowance – 3,414
 - Incidental Recharge – 7,550
 - Remediation exemption – 1,982
- LTSC: 939 AF
- CAP: 81,271 AF
 - Based full 3 af/ac allocation (both SW & GW)
 - Based on modeled assumption – (actual ave. yield 4,500 af/yr.)
- SRP: 19,000 AF
- NCS: 8,600 AF
- CAGR/Harquahala: 2,910 AF
- Reclaimed: 15,328 AF

**Total Designation
Water Supply: 140,790 AF**

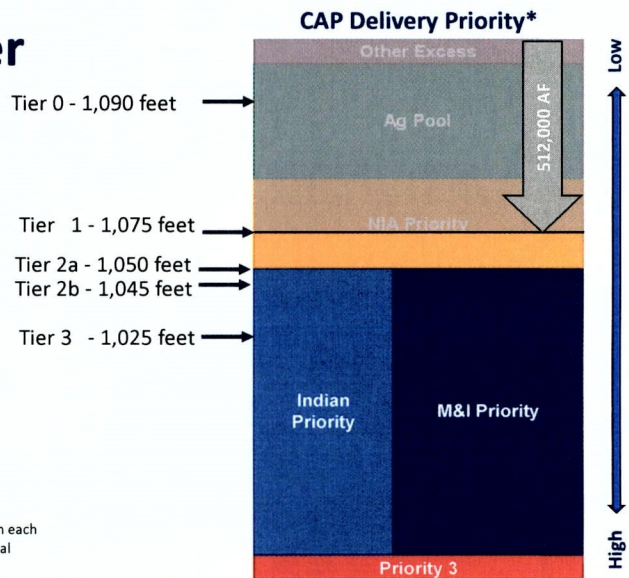
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Impacts to CAP Water

- CAP shortage based on priority stack
- Scottsdale CAP Allocation:

Priority	AF	% of supply
NIA	3,306	4%
M&I / Indian	77,870	96%
P3	95	0.1%
Total	81,271	100%

*Shortage reductions are based on water right priority and total volumes ordered in each priority pool. Tier representations are approximations and are for purposes of visual graphic reductions.



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Potential affects of Shortage Tiers^(a) to Scottsdale

CAP Water Shortage Tiers	TIER ZERO	TIER 1	TIER 2A	TIER 2B	TIER 3	PROTECT LEVEL
Lake Mead Elevation (in feet)	1,090	1,075	1,050	1,045	1,025	<1,025
Corresponding City Water Shortage Stage	Stage 0 Shortage Preparation	Stage 1 Minimum Shortage	Stage 1 Minimum Shortage	Stage 2 Moderate Shortage	Stage 3 Severe Shortage	Stage 4 Critical Shortage
Potential City Water Supply Reduction (MGD) ^(a)	0	2.0	3.0	6.5	13.5	24
Potential City Water Supply Reduction (AF/year) ^(a)	0	2,300	3,400	7,300	15,200	26,900

^{a)} Shortage reductions are based on water right priority and total volumes ordered in each priority pool. The tabulated values are estimates for planning purposes based on generally acknowledged potential reductions, do not account for mitigation potential and subject to change.

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Scottsdale's ongoing and Continual Response

- Activate our Drought Management Plan
- Expanded conservation and messaging
- Increasing our ASR well capacity with
- Expanding our AMI meter network
- WaterSmart portal
- HOA Budgeting Program
- Facilities Audit Program
- Continue to identify opportunities to engage, educate and inform

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Scottsdale's Drought Management Team

- **Team's responsibilities include**

- Coordination and communication internally and externally
- Evaluate the severity of the drought/shortage and its impact on Scottsdale
- Goal of 5% reduction in City Water Use
- Communicate City efforts
 - Parks → 15% under ADWR conservation allotment = 3 billion saved of 20 years
 - Facilities Water Audits → Identify Water Savings potential

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WaterSmart Customer Interface

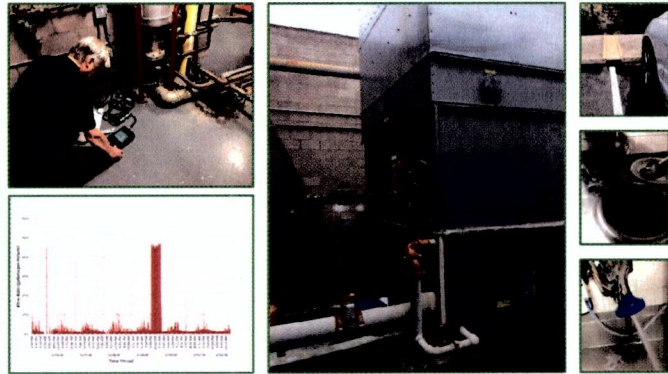
- Web-based water management portal
- Integrated into our billing system customer interface
 - High usage or bill notifications
 - Comparisons to previous years
 - Interactive leak check tutorial
- Meters equipped with Automated Meter Information can receive near real-time water usage information
- Meters with Automated Meter Reading technology can receive monthly data



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Facilities Audit Program

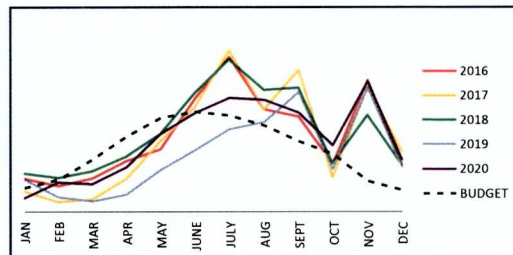
- Meet with Facilities staff
- Understand water needs
- Meter location services
- Recommendations, ROI
 - Leaks
 - Rebates
 - Submeters
 - Cooling towers



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HOAs and Multifamily Resources - NEW

- Meet with HOA board, landscaper, management company
- Understand landscape water needs
- See water saving potential by:
 - Forgoing a winter lawn
 - Removing turf
 - Preserving asphalt
 - Identify over application
 - Maintaining infrastructure
- Meter location services
- Water budget summary with recommendations



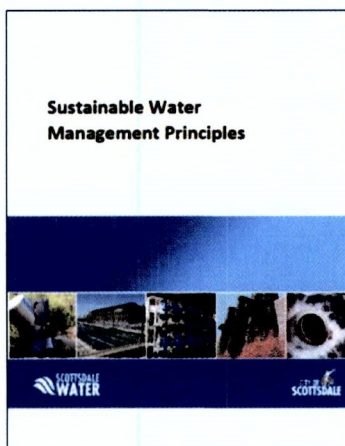
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Proposals for Consideration

- Scottsdale Water will present several proposals in June for consideration to further conservation and efficiency for growth.
 - Sustainable Water Management Principles
 - Ordinance changes for enhanced conservation efficiency

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Sustainable Water Management



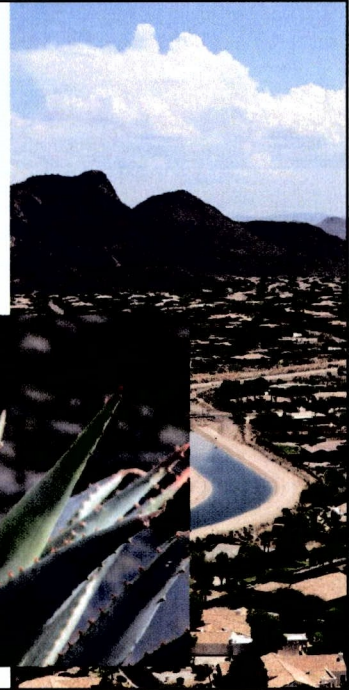
These principles will provide over arching guidance for:

- Water Quality
- Water Conservation
- Water Resources Planning
- Water and landuse Management
- Water Infrastructure Planning
- Water Recharge and Recovery
- Financial Planning
- Climate Change and Drought

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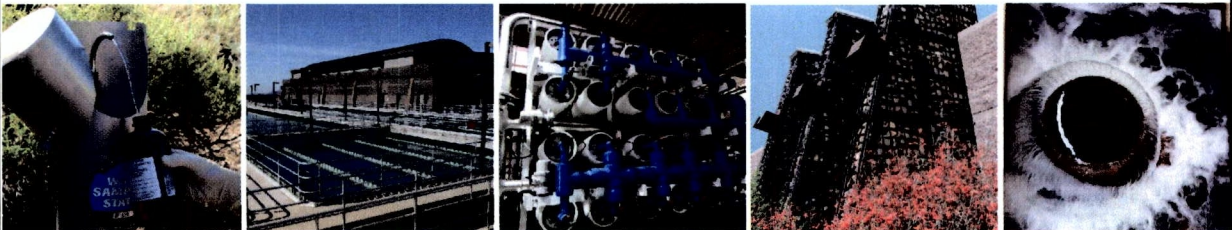
Efficiency Ordinance Concepts

- WaterSense® Smart Irrigation Controller Requirements
- Non-Functional Grass Limitations
- Separate Landscape Metering



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Questions



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