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CALL TO ORDER

[Time: 00:00:01]

Mayor Ortega: Hello, everyone. I call the May 3rd, 2022 City Council Work Study Session to order. Clerk Ben Lane, will you please conduct the roll call?

ROLL CALL

[Time: 00:00:14]

Clerk Ben Lane: Thank you, Mayor. Mayor David Ortega.

Mayor Ortega: Present.

Clerk Ben Lane: Vice Mayor Tammy Caputi.

Vice Mayor Caputi: Here.

Clerk Ben Lane: Councilmembers Tom Durham.

Councilmember Durham: Present.

Clerk Ben Lane: Betty Janik.

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Councilmember Janik: Present.

Clerk Ben Lane: Kathy Littlefield.

Councilmember Littlefield: Present.

Clerk Ben Lane: Linda Milhaven.

Councilmember Milhaven: Here.

Clerk Ben Lane: Solange Whitehead.

Councilmember Whitehead: Here.

Clerk Ben Lane: City Manager Jim Thompson.

Jim Thompson: Here.

Clerk Ben Lane: City Attorney Sherry Scott.

Sherry Scott: Here.

Clerk Ben Lane: City Treasurer Sonia Andrews.

Sonia Andrews: Here.

Clerk Ben Lane: City Auditor Sharron Walker.

Sharron Walker: Here.

Clerk Ben Lane: And the Clerk is present. Thank you, Mayor.

[Time: 00:00:43]

Mayor Ortega: Thank you. Well, work study sessions provide a less formal setting for the mayor and the council to discuss specific topics with one another and with staff. So we can have a free flow of information.

It's less formal and we want it to be productive on the subjects. We also provide an opportunity for the public to come forward and address the items. And therefore, I would open public comment at this time, and also note that there is no public comment. So I will close public comment.

ITEM 02 – COLORADO RIVER DROUGHT AND SHORTAGE UPDATE

[Time: 00:01:30]

Mayor Ortega: We will now start with actually item number 2, which is top of mind. The Colorado River drought and shortage update. The presenter is Brian Biesemeyer, the water resources executive director.

Brian Biesemeyer: Good evening mayor and council, and I will have Gretchen Baumgardner, our water policy analyst give you the first part of the presentation, and then I will finish up in the end. With that, I will introduce Gretchen to you. Thank you.

Gretchen Baumgardner: Good evening mayor and council. My name is Gretchen Baumgardner. I'm the water policy manager here at Scottsdale water. I manage our water resource portfolio and our conservation staff. And today we will be talking about what's going on with the Colorado River. So here is a brief timeline.

As you know, the '21 shortage was declared back in August of 2021 for January 1 of 2022. We activated our drought management plan here in Scottsdale. I came and Brian came and presented about that drought management plan and what was happening in the Colorado at that time.

We have been increasing our water presence and awareness campaign and our conservation programs and doing internal evaluations on water. Since we have come and talked to you guys in October, the hydrologic projections have increasingly been alarming, and every single month of what's happening on the river.

And I will talk about what's been happening since then and what the April studies are showing. And most recently, there was a letter that Department of Interior wrote to the seven basin states and then what some of the additional programs that we have been doing and that we will present to you what that we are looking at right now. Sorry. I tend to be a little short.

So just a really quick overview on what the Colorado system is, and how it's governed and who gets access to that water. There are seven basin states, the upper and lower basins and they get 7.5 million-acre feet and, upper and lower and then Mexico. So in total 16.5 million-acre feet.

This is really important in that the system is over allocated and this is one of the points I mentioned in October when I presented to council. So the upper basin has pass 75 million-acre feet. On an annual average, that's 7.5 million-acre feet. This will become really important in a couple slides forward.

So how do we manage the Colorado system in the lower basin, since we're a lower basin state, California, Nevada, and Arizona. This is a quick drive-by of the 2007 interim guidelines overlaid with the drought contingency program that happened in 2019. In each different phase, we are the pink. And let's look at what the lake looks like.

This is the levels of lake Mead which is the governing reservoir on the system and what triggers a tier shortage. Each one of those horizontal lines is a Tier 1, 2A. and 2B. and this is the levels of lake Mead since the exception. And this is when Glen canyon dam was built and started to fill. Both the systems were -- have been jointly operated. You can see since 20 -- about 2000ish, the lake system has been steadily decreasing, until we get to today.

And the very right of the figure, you can see it's kind of a lighter color, the projections of where we see lake going. And so we got to this point because we're in a about a 22, 23 plus year drought on the system. We're also seeing some evidence of climate change and aridification and there's a structural deficit on the system. This is to showcase the figure. It's not a pool, it's not a square.

[Time: 00:06:05]

As you go lower and lower, the capacity of the lake decreases and it's harder to come out of that hole. So what does the river system look like right now where we stand? The graph on the right is the water years '22, the water year we are in and it goes from October to September. Water year happens when we get snowpack and then runoff. The snowpack for water year '22 is 88% of median.

However, water year '22 is looking like water year '21 and that's last year had 89% of snow pack but 32% of runoff. And that's because we're seeing aridification of the climate where the springs are becoming sooner. They are drier. They are hotter and we get a lot of wind which means in goes into the atmosphere instead of turning into runoff.

So what does the outlook for this spring look like. So NOAA is saying the outlook for the spring is looking dry and hot. This is -- when I said earlier in the slides how Powell has to pass 7.5 million-acre feet from the upper to the lower basin.

This is an historic timeline of what the inflow in the upper basin has happened into Powell. You can see 100 year or so average, it's about 9.6 million-acre feet. The bars on the right, the red, green, and orange are basically the red is the minimum probable if we didn't get good runoff. The green is the most probable and no one expected the blue to happen. Most people expect the median runoff to happen. That's almost 7 million-acre feet. That is less than 7.5 million-acre feet that Lake Powell has to pass to Mead. The Department of Interior has asked for only 7 million-acre feet to be passed from Powell to Mead.

So what does the projections look like? This is a 24-month study that the Bureau of Reclamation puts out. This indicates what the 90th percentile, the dotted blue line. This is the lake level of Lake Powell, depending on what the snowpack looks like. The top one, that's the 90th percentile, the green line is the median and the red line is the 10th percentile.

The issue with Lake Powell is that that dotted red line looks like it's going to dip into the

horizontal red line. The horizontal red line is the power pool at Lake Powell, which means you dip below it and Glen canyon dam can no longer generate power, hydroelectricity, also the town of page can no longer get water if it dips below that power pool. A figure representation of Lake Powell, it's a little bit easier to see how that works. This is Glen canyon dam. That power pool is at 3490, and that 35-foot buffer before where they want to keep it.

So the secretary would like to keep it above that into that buffer which is why the secretary has asked to not pass 7.5 million-acre feet but rather 8 million-acre feet. -- 7 million-acre feet. So let's talk about Mead because that's the one that governs us.

This is Tier 1, which we're currently in and we don't foresee us getting out of it any time soon. 2a, 2b and 3 and you can see at the end of 2022, that we'll be in about a 2a if 7.5 million-acre feet are passed.

[Time: 00:09:54]

Now, one the issues that happened with the letter that the Secretary of the Interior wrote to the seven basin states responded they would like if they left that water in Powell for the modeling not to reflect that that water is kept in Mead. So essentially the modeling would be different from the physicality that's in Mead and what happens in Powell would not trigger an additional shortage for the lower basin states.

This is a letter that the secretary responded and this is the assistant secretary my apologies and she asked for a two-week turnaround. The seven basin states got together and responded to her and told her, yep, we're okay with keeping 7 million-acre feet in Powell but they're asking for the upper basin, the reservoirs to pass an additional 700,000-acre feet into Powell to further boost up Powell. What does this mean to the city of Scottsdale?

So the city of Scottsdale uses about 75% of its supply is Colorado water. We have SRP groundwater and treated wastewater as the rest of our supply. Now, I always get questions about well, what does our actual supply look like? And I like using a financial model or a financial proxy or personal finances to really talk about water resources. We don't like to live paycheck to paycheck. As a matter of fact, we can't live paycheck to paycheck.

We have excess amounts in our water resource. And this is certified by the Arizona department of water resources. This is the 2014 assured water designation. There's a bunch of different components to the water resources supply. We have a groundwater component and that's broken up into the groundwater. That's the groundwater allowance.

They have also indicated we get a certain percentage of incidental recharge, which is just an amount of groundwater that is assumed to be put into the aquifer based on irrigation purposes or runoff, stuff that infiltrates into our groundwater, and the runoff that high pressures from the rain or -- runoff that happens from the rain or anything that flows into the soil and then we the remediation. And have the long-term storage.

We recharge our CAP water and our treated effluent up there. The assured water supply is a 100 year outlook. So they take our long-term storage credit and that looks like 1,000-acre feet but that just means that we have 200,000 feet in our long-term storage credit account. And our Arizona center water feet, and SRP is 19,000-acre feet and then we have NCS which is above Roosevelt dam and then Harquahala and we have on paper, around 120,000-acre feet.

And some of this ebbs and flows and these are some of the things we need to account for when we do our master planning. You can see in 2021, we used around 91,000-acre feet. We have 140,000-acre feet legally accessible to us. When it comes to shortage on the Colorado River, this slide I present often in my presentations, I presented it back in October, I know it's very busy and I know it's very colorful.

[Time: 00:13:41]

The figure on the right is what is called the central Arizona project priority stack. As I mentioned previously in October, water rights is based on. You have junior rights and senior rights and our access to central Arizona public is on the table on the left and is color coordinated. So you can see where we land in the stack. And 96% of our water lands somewhere in that blue area.

So what does that mean when we get cut year to year from storage to shortage. This was in the drought management plan which you approved back in November of 2021. And each one of these approximated how much we will get in the shortage. Now these are approximate in a Tier 3 is what I circled this and that's the one that is the biggest concern.

To us and the rest of the valley and the folks that have access to central Arizona project water. We expect that we will get cut 13.5 million gallons per day. We put away in our savings account to be able to access that in our groundwater in times like this. The biggest uncertainty is how long a Tier 3 could last. And so those are the things that we have to consider when future planning, but we have a large savings act.

What are some of the messaging things? Scottsdale has a proud and great history of conservation programs. We have one of the most robust conservation programs and offices in the state, however, there's still things to be done. We activated our drought management plan and I think this is something that Scottsdale needs to be proud of. All providers by statute have to have what is called a drought preparedness plan. We call it a drought management plan.

We instituted that back in August because we knew this was a big deal. It was us and Tucson that instituted that and I think that's something to be proud of. We are getting in front of it and getting that messaging out. This is critical that all Arizonans have to be a part of. This we are expanding those conservation messages both internally and externally. We are increasing our aquifer and well storage capacity.

We are expanding our automatic meter infrastructure, which is coupled with our water smart

portal and HOA budgeting program and extensive facilities audit program. Let's talk about what institutes the Scottsdale drought management team. We are talking about what's happening with the drought. This includes many divisions and departments, internally talking and having constant conversations.

The team has decided to have a goal of 5% reduction both internally and externally for customers and ourselves. Over the last two years, we have done a number of facility audits and we heightened that over the COVID period. Our parks have done an amazing job over the last two decades by having their own conservation efforts and giving their own goal of 15% reduction over the conservation allotment, saving 3 billion gallons over 20 years.

And the facility audits have identified a number of water-saving potentials which we are working in concert with facilities to institute. The water smart portal, it allows people to look at their own water manager. When they get their water bill, one month total of water doesn't help anybody, but on an hourly basis, it helps them understand how they use water.

And we have staff that have a conversation exactly how they really hone in. The concept of conservation will be efficiency, finding those leaks, not over watering. The majority of folks who have outdoor irrigation are probably over watering. Just by throttling back and understanding how they can be more efficient, they can save that 5%. Again, I mentioned the facility audits because I think this is something that Scottsdale should be really proud of.

[Time: 00:17:43]

Conservation has been an amazing partnership and we have been finding anything from big leaks to coolant tower powers. They can be big water users and so we are partnering with them to be able to really hone in on finding ways that they can be efficient with those. And facilities are inputting new fixtures in to save water. We've had such a great response with the HOA program.

I have new staff now on board and they are really taking this and really taking some really great ownership in talking with HOAs and talking about the ways they find their leaks. They find efficiencies and also if they find ways to take out turf, we have a conversation on what that could mean for them. And with that, I will turn it back to Brian.

Brian Biesemeyer: Thank you, Gretchen. Mayor and council, we will continue to do things. Obviously as Gretchen mentioned, we are in a serious situation. We have a couple things coming before council in June. For the first is the state of our water management principles and then the next is some ordinance changes.

But before I get to there, Gretchen did mention our 5% water conservation campaign. And so we have been very serious and the city's drought management team. We internally to the city can make and how we can encourage our customers and residents to save water as well. And so for the first quarter, if I would good get the Elmo on, please.

There you go. Overall citywide, our customers have been participating and have been able to reduce consumption by 2.5%. That's a little bit low, but I think our residents have been taking this on. The initial part of our 5% campaign has been working and we will continue to push that campaign forward. If I can go back to the slides now.

So sustainable water management precipitations will come before council in June and the overarching guidance for the water utility, they include the topics that you see there listed. They include climate change and drought. And one is with land use with a water appendix to any zoning or master plan changes. There's more information for council when the proposals come before council just to give you more information about those particular changes.

[Time: 00:20:58]

And then we'll come open efficiency ordinance changes and we will come before council recommending at least three and we have one more in the works but a water sense for commercial properties to make sure that they are buying quality irrigation controllers that make a big difference in how they use turf and outdoor irrigation. A nonfunctional grass limitation for new development.

So you don't get those -- and I have shown those on several -- Gretchen had one slide where you get that 4-foot or 6-foot of grass along the street that has no function. And then certain landscape watering which is important for HOAs and others to ensure they monitor what irrigation is occurring on their landscape and not just within their house.

And so it adds to their knowledge and we will be coming forward with those as well. I will say when Gretchen went over all the things we are doing, we'll also be back in August with our integrated water master plan which talks about our long-term planning that we make. That will have some infrastructure that we look to make in the next -- or construct in the next five to ten years.

One of those measures that we are really looking at is obviously we recycle water well here in Scottsdale and to continue to recycle water, and to pull more water back up to our water campus.

We have wastewater knows that are split between our water campus and going south to our SROG partnership. We want to meet the SROG partnership which is roughly 10 million gallons a day. That goes if you remember down to 91st avenue treatment facility and out to the Palo Verde nuclear power station. We want to meet that but not go over that. The more we get down there we want to get down this.

In the CIP, we have money to build a sixth pump back station to pull more water up to the campus and do more recycling. That's in the current CIP, but you will continue to see things such as that, as we look at the water integration as we look at the water and recycling water facilities

to get as much water back and keep as much water in the portfolio as possible. And with that, that concludes our briefing pending your questions.

Mayor Ortega: Councilwoman Milhaven.

Councilmember Milhaven: Thank you, Brian. Thank you, Gretchen. In the slide you showed that SRP is another major source for water for our community. And it's my understanding, I hope you will elaborate a little bit that we don't have the same challenges with SRP and it's also my understanding SRP serves certain parts of our community. So if you could describe what that service area is and what that means to be served by SRP.

Brian Biesemeyer: Mayor and Councilwoman Milhaven, council? Yes, and so our SRP allotment is basically given to us on an acreage so that we have in the Salt River project area. And that project area is anything south of the SRP canal that runs through the city. Anything south of the Arizona canal is in that property. And so there's allotment and that comes out to be the 19,000-acre feet that Gretchen showed on her side. And that is not currently in cuts.

[Time: 00:24:50]

Now, SRP does occasionally cut that back depending on their years. Their system, however, tends to be much more responsive and they might have one or two years and then it bounces back. Currently that's not as an area of as much concern as the CAP water. And he mentioned, NCS, nonconservation space water.

That's where Scottsdale invested in the Roosevelt dam in the raising of Roosevelt dam and as a result, when we get large water years and extra water is behind the dam, we get a portion of that and that water we can use anywhere in our system. So the other SRP water, we have to keep within SRP lands. And you are correct, it creates different dimensions to parts of the city.

Councilmember Milhaven: That's helpful. Thank you very much.

Mayor Ortega: I have several questions, and some comments. I think we all know we are in a crisis situation. It's depicted that the Colorado River is drying up and it constitutes 76% of the water that we have in our portfolio. I guess the first I have -- because in 2014, when the assured water portfolio was shown on that slide, there were certain assumptions about delivery of CAP water. And then those would be adversely affected by whether or not they can deliver wet water to us, under Tier 2 and 3.

Brian Biesemeyer: It was given with our full allocation of water, it's a calculation over 100 years and it's not direct any single year calculation. It's over that 100-year period and they take that water and spread it over that 100 year bit, but it did not calculate any tier counts.

Mayor Ortega: And we are here at the here and now. We need to look at where we can cut back from that calculation in two years or so. The other point I'm observing is that we have a clash of

the drought, the millennial drought, they call it and then one subject is the class -- the clash with over development or development coming on strong that is certainly going to cause more demand on our input side and then would also cause more demand on the output, the sewer wastewater.

So between 2014, when we had an allocation average, I guess, 100 year average decision, what do you think that they were actually delivering with CAP? What are they delivering now approximately, would you say? We saw the bar graph showing that the anticipated was much less for the whole basin.

Brian Biesemeyer: Mayor and council, they are delivering now about two-thirds of what CAP was delivering. If you look at the CAP system as a whole, it's approximately two-thirds and with it's a substantial cut on the CAP system. The good news for Scottsdale, is our priorities are higher and the cuts as we have seen to date on a Tier 1 have not been that substantial. But the overall CAP system as a whole has had substantial cuts.

[Time: 00:29:02]

Mayor Ortega: So as we are seeing the declining watershed and storage of water, we are also seeing the increase in growth and that clash, as I say between the demands that are upcoming and approved projects and so forth. When you look at SRP. As I understand it, SRP is probably 15% of our portfolio now, and I think strategic reserve water underground is 15 -- well, it would have to be less. Maybe 12 and 12, I suppose. SRP is reliable, but, again, it's a smaller -- okay. 13%. I see that.

Brian Biesemeyer: Yes, this is our current. -- this is what we did in 2021. We also have more ability. You saw we have 12,000-acre feet with SRP and our allotment can be up to 19,000-acre feet. When you talk percentages I think this is what you were pulling off:

Mayor Ortega: Okay. Also I mean, obviously we cannot have development without assured water supply. And I will be approaching some projects and so forth, but essentially, in 2018, when the Old Town character area plan upped the density substantially, in the downtown acreage area, that's within the SRP delivery area, I suppose?

Brian Biesemeyer: That's correct.

Mayor Ortega: But nevertheless, it's below Indian Bend but all of that water goes downhill to the SROG and then it goes to Tempe and Phoenix, we export that water south of McCormick Ranch.

And north of McCormick Ranch, we lift it up and get it up to the 101, where the big campus is, which is a lot more -- that's where the green reclaimed 7%, I suppose is -- that's where we are able to pay for the water once and restore and reuse it as it goes through the system. Sometimes people talk about the farmers using a certain percent. Scottsdale has to farming,

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right?

Brian Biesemeyer: Yes.

Mayor Ortega: That is somewhat irrelevant. They paid for the SRP dams and they have certain positions on it, but those -- those are water rights that are vested, I believe, and then there would have to be cuts in Tier 1, would you say those are in the CAP area or are they in SRP areas too?

Brian Biesemeyer: The tier one cut was only to the CAP allocation.

Mayor Ortega: I just want to move on with councilman Whitehead and then Vice Mayor Caputi.

Councilmember Whitehead: Thank you, both of you, for the presentation, and also the presentation from last week at the regional event that we had. So I appreciate that. Just a couple of questions, and that I'm hearing from residents. I think it is important to continue to explain to the ratepayers and all of our residents that 70% of our water is outdoor water and 30% is indoor, is that still about right?

Brian Biesemeyer: Yes, ma'am, that is.

Councilwoman Whitehead: And that we can essentially recycle all the indoor water. So what we are trying to focus on is the outdoor water. So that's something that, again, in your work, I'm sure you are doing, that but that is just so important to stress I'm thrilled that the CIP includes pumping capability to get more of that water north so we can recycle it and not send it to SROG, and are you -- I know there's privacy issues, but are -- is Scottsdale water going to identify will -- maybe they have, identify the largest users and therefore, the target how we can get the most water saved the quickest? Is that something you have identified?

[Time: 00:33:50]

Brian Biesemeyer: Mayor and council, we don't give out individual consumption data and it's an issue we talked to the city attorney. No, we don't.

Councilwoman Whitehead: Categories?

Brian Biesemeyer: I'm sorry?

Councilmember Whitehead: Categories of users. We can give individual categories of users provided it's not one and it's not obvious.

Brian Biesemeyer: We can and we'll continue to look at that to where we can encourage folks and we do in notify folks who are large users. Hospitals per se are pretty large users and we have talked to them and they have been very receptive of us helping them look at their use so

that we can help them cut back on that usage.

Councilmember Whitehead: So I guess what I would like to see and -- is some tier targeting where we know our constituent can have confidence without giving out privacy information, that we targeted the particular segments and that leads, it's not a city of Scottsdale problem. It's a regional problem. So is AMWA -- is the city setting goals. For instance, data centers keep coming up.

We don't have data centers and we don't have farms as the mayor pointed out. Our residents don't want to cut back water, get rid of their yard so that a developer in the west valley can build a house.

What they would like to do is cut back on water so the river has more water. We are not there yet but the way to get there is to make sure that Scottsdale is not the only one having these -- going above and beyond what is needed with the cutbacks and I wonder if you are seeing that.

[Time: 00:35:48]

Brian Biesemeyer: Mayor and council, I know that CAP and department of water resource will have a briefing on Friday, and I know they have been encouraging their other cities to step up the management drought plans and to work more proactively with to encourage their customers for cutback.

There will be a continued effort both from state and regional level as well as the AMWA level to promote actions that will conserve water and certainly, our portfolio is what it is. It's not used to support anybody in the west valley.

Councilmember Whitehead: No, I recognize it. It's one river. If we motivate people, we show here are the categories of big users and here's what we have done to really cut back kind of and I think that motivates all the little users too and together we can get this done. So thank you. That's --

Brian Biesemeyer: Thank you, mayor and council. We took that on with the drought management team internal to the city because we want to -- if we are going to ask our residents to cut, we in city government want to cut, and I showed those results.

Councilmember Whitehead: Thank you.

Mayor Ortega: Vice Mayor Caputi, and then councilwoman Littlefield.

Vice Mayor Caputi: Thank you, Brian and Gretchen, it's really great to have this information. I think it's so important that we are continually being updated. I know we have a lot of residents that are concerned about water. We live in the desert and we need to be concerned about our

water usage.

I'm hesitant when we start using words "crisis" because I think as you pointed out, Scottsdale is doing a wonderful job with our water. We have a drought management plan. I think it's really important for people to realize we have a drought management plan and we have a water savings plan and as you explained to us, we are planning out many, many years into the future.

We don't make our decisions, oh, my gosh, yes, no, maybe. We are actually looking forward very carefully and planning accordingly. I think that needs to be underscored. As Councilwoman Whitehead pointed out we do count our returns. We return that water to the aquifer and we are able to use that again.

I'm a little leery about using the word "over development. "I think that's -- obviously it has some politics involved in. I don't see it as over development. I think if you look back over the last 20 years as we have increased our population, we have actually decreased the usage of water in our city. Is that not true? It's something to be proud of. We have been amazing at efficiencies.

[Time: 00:38:33]

Brian Biesemeyer: I do have and I think it's a graph that you said, and I will put it on the Elmo.

Vice Mayor Caputi: Yeah, I think that graph is really powerful and something that would make our residents feel a little more secure that we are looking out for their futures and then I will let you answer and the last point I want to make, and in terms of -- we were talking about Old Town, northern Scottsdale, actually, again, another thing that Gretchen had pointed out to us this week was that as we increase density, water usage is going down.

Multifamily buildings use far less water than a single-family home up north. We have to be careful using these terms that pejorative and make sure that our people understand that we are looking carefully and being smart about our water usage. So go ahead, I love this graph. Please explain.

Brian Biesemeyer: Okay. Well, this is our potable water. I use it to show that conservation works and it's a good thing. We live in the desert. It's the right thing to do. And our residents have been great. And this trend shows since 2006, that while our service connections have gone up, which is the orange line and have steadily gone up and our water consumption has not and slightly downward trending. I can't guarantee it will go on. It shows that conservation does work.

Vice Mayor Caputi: Thank you.

Mayor Ortega: Councilwoman Littlefield.

Councilmember Littlefield: Thank you, mayor. Mr. Biesemeyer, had just been reading in my

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emails that came through about an organization the state of Arizona is putting together, I think in conjunction with other states about the water usage and how they want to manage from the state level the water in Arizona. Do you have any insight into that and what they are planning on doing and how that might affect Scottsdale?

Brian Biesemeyer: Mayor and Councilwoman Littlefield and council, I think in talking about the water authority that has made the press. I'm not sure if that's –

Councilmember Littlefield: It's a new group that they are putting together, a new organization they are forming to research the water not only in Arizona but in California.

Brian Biesemeyer: I know the governor and the legislature is talking about a water authority.

Councilmember Littlefield: Maybe that's what it is, if it's a forming organization currently.

Brian Biesemeyer: Right and they are still in discussions with the legislature. I know AMWA has been -- we have been communicating with AMWA and AMWA has actually been very active in helping formulate this group so it doesn't become this authority that would dictate things down to Scottsdale and could potentially compete with us for water. The last thing we want is a statewide authority that, you know, takes away our water rights or might impact our water rights.

[Time: 00:41:40]

I know AMWA has been very active with that and that's yet to come forward. The first proposal came out and there's been a lot of discussions and I'm confident that the legislature and the governor will ultimately bring that forward as a proposal, but I haven't seen it. So I don't really know what it is right now. Only that AMWA has been active in it.

Councilmember Littlefield: It had the beginning look that we're going to manage this and that concerns me. I think Scottsdale does a great job of managing our water, and I don't want interference from higher up to tell us what to do and then mess up.

The other thing -- just a question which I know you don't have a definite answer to, but is there any movement on the higher states going up north on what they are doing and how they are conserving water so more water flows down the river?

Brian Biesemeyer: I know they are working on that. Their part of the DCP was to work on exactly that. I don't know exactly where they are on that. Yes, that was their contribution to the DCP was that they were supposed to figure ways that they could also save water and allow as much water as possible to come down the Colorado River, but I don't know where they -- where they have ended up.

I do at least -- I'm thankful that they are pulling water out of some of the upper reservoirs to

feed into Lake Powell, which will stabilize Lake Powell. And I'm happy that some of the upper basin states are doing that.

Mayor Ortega: Councilwoman Milhaven.

Councilmember Milhaven: I found an article that in 2018, the water Department of Natural Resources says we use less water in 2018, than the state used in the '50s, which was -- and you are nodding.

Brian Biesemeyer: Yes, that's actually a trend and AMWA has been good to show. I don't have the graph present but they show a similar graph, where you can see that definitely the population has grown but the water consumption has not.

Councilmember Milhaven: Right, astronomical growth since the '50s and it attributed some of that, that the new development uses much more efficient ways to use water and conservation. And also talked about how new developments in the state are required to identify its own water sources. So it's not just depleting the existing source.

I think as we continue this conversation trying to balance water conservation, which we absolutely need to be diligent amount, recognizing everyone needs to conserve because we get into the next tier of everybody doesn't do their part. But also recognize we can't close the door to development.

We still got folks who need a place to live. But also recognize that these conservation efforts not just in Scottsdale but across the state is really quite extraordinary that we use less water today than we did in the '50s. So thank you for letting me add that on.

[Time: 00:45:06]

Mayor Ortega: Let me just give a little wrap-up.

Shane Stone: Plea --

Mayor Ortega: I would ask for Betty Janik, in case she -- because she's remote to weigh in, Betty, and then I have some closing as well.

Shane Stone: And she does have her hand raised. Thank you, mayor.

Mayor Ortega: Okay.

Brian Biesemeyer: I think he said she does not have her hand raised.

Shane Stone: Sorry, she did have her hand raised but she's on mute and there she is.

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Councilmember Janik: I have two questions. First of all, very good presentation, but I want clarification on that water use by Scottsdale. Is that total city water use or per capita water use when I look at that graph?

Brian Biesemeyer: That is total drinking water use. It doesn't include our reclaimed water or some of our non-potable water. That is total drinking water use and it's not on a per capita basis. It's on a -- it's just a gross basis.

Councilmember Janik: Okay. And if we were to look at total water use, would the numbers look as good? If it's not just drinking water, but all water that we need or is that not even data that's available? Do you know what I'm asking?

Brian Biesemeyer: Mayor and Councilwoman Janik, I do know what you are asking. I just don't have that data available.

Councilmember Janik: If you could at some point send it on, I would appreciate it. And when we recycle water, what is the percent efficiency. If I have 100 gallons of water and it's recycled what do I end up with after it's recycled and purified?

Brian Biesemeyer: It depends the quality that we recycle. If we use that for turf irrigation, it's well in above 90%. If we do it for our groundwater recharge and then advanced water treatment. If it's the vicinity of 85 to 90%. We typically get 85% through the reverse osmosis units. There's 1 15% loss when we take it in groundwater recharge directly.

[Time: 00:47:39]

Councilmember Janik: Those are really, really good numbers. And then if there are certain parts of economy that seem to be using quite a bit of water, can we recycle the recycle? Have we ever thought about that? Because it's still water.

So, for example, areas that consume a fair amount of water and then they used the turf irrigation, can we collect that water and recycle it again or do we not have that capability?

Brian Biesemeyer: Councilwoman Janik, well, specifically for like turf irrigation, no, we don't have that ability. But other areas like cooling towers and that's part of the work with our own facilities. Cooling towers can recirculate that water and we encourage them to be efficient with that and they can recycle that water many times over and then ultimately they dump it into our sewer system and we reuse it again. We are recycling over and over and over again, but specifically with turf irrigation, we don't have that capability.

Councilmember Janik: Okay. Thank you. Appreciate all of that information.

Mayor Ortega: Well, we covered a lot. I want to add three more points. One is we have the first read out on our budget and we also noted that the raw water from the CAP is actually increasing

60% over the last two years. So there is a usage cost that we have to pass on to our users and the city itself as a major user of water. The other two things that I would like you to -- so you agree with that.

Brian Biesemeyer: Yes, mayor.

Mayor Ortega: We are adding that in and then we have probably the question of power that also perhaps increases because of the jeopardy of producing power through Hoover game and Lake Powell. But the last two things, can you just touch on we asked to increase other sources and can you touch on the legislation, senate bill 1197?

Brian Biesemeyer: Yes, senate bill 1197, so we have some land in Harquahala, it's a substantial amount of water. We have not been able to get that water yet to us, because we can't get permission to wheel that water through the CAP canal.

[Time: 00:50:32]

That's been held up due to some -- due to a legal argument that the Ak-Chin. Ak-Chin have a concern about water quality that ultimately gets to them and senate bill 1197 is a bill that has been passed and sent to the governor for signing that will allow the irrigation districts that the Ak-Chin deal with to get some of the federal infrastructure dollars to fix their problems which ultimately hurt the Ak-Chin and then through that legal battle that the Ak-Chin or the legal situation that the Ak-Chin and the Bureau are in now are hopeful that we will be able to wield water from the Harquahala to Scottsdale to complement our water resources.

Mayor Ortega: And then city of Phoenix is running a rescue water line. They're spending, I think 280 plus million dollars to run that line over to, I think the Gila and where the Salt River join. They're doing that in case worst case scenario the Colorado dries up. That's a fact. So this he have that extra cushion and as we go forward, I would like us to think of the worst case scenarios which are somewhat predicted in the graphs that we are seeing, that were shown today.

And where you mention that we might be building lift stations or maybe in the planning had that plan. I really suggest that we look at some infrastructure improvements as soon as possible to -- as you move forward.

Brian Biesemeyer: Yes, mayor.

Mayor Ortega: That's part of my comments. We have a second item which is listed for our work study. We're going to split our work study. So the second item was the citizen committee to consider the .2% sales tax. That is posted and it would be split -- we will recess the work study at this time, and then after our regular meeting, we'll come back to study that, in particular it has some pretty significant ramifications and we want to cover that issue.

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So at this point, and our colleague councilwoman Betty Janik will remain, of course, remote. So I will recess the work study and we will work precisely at 5:00. So in about five minutes, we will go into it. Thank you.

[Time: 00:53:43]

(Work study recessed)

CALL TO ORDER

[Time: 04:16:28]

Mayor Ortega: I call the May 3rd, 2022 work study session reconvened. We did take a recess. And for the record, all councilmembers are present. And council woman Janik is remote and also the charter officers are present. So we are able to conduct this work study.

As posted, the question had to do with a presentation about the expiration of the preserve tax and which would be in 2025. However, I am open to a motion to table this for the -- for the -- perhaps table is not the word, but we could postpone this until the next work study, and do I hear a motion?

Councilmember Whitehead: I will make a motion to continue to the next work study. I think you said one to two weeks is that what we are thinking?

Mayor Ortega: Yes, that's correct. It looks like we can handle it on May 17th.

Councilmember Whitehead: And my apologies to Cory and Bill.

Mayor Ortega: We have a motion and a second. Again, we will be able to have a full presentation without a break and a partial discussion, deliberation. Please register your vote. We have a motion and a second.

Councilmember Janik: My vote is yes, Councilwoman Janik.

Mayor Ortega: Thank you. Thank you. We are unanimous. Therefore, at this point, we are concluded with the work study, and I adjourn the meeting. Thank you.