



Public Notice Pursuant to A.R.S. § 38-431.02

ARIZONA MUNICIPAL WATER USERS ASSOCIATION BOARD OF DIRECTORS

MEETING NOTICE AND AGENDA

August 28, 2025 @ 11:00 a.m.

**This meeting will be held as a Hybrid meeting.
Attendance in person is welcomed; Others may join via Zoom.
Access this [Link](#) to join via Zoom. Meeting ID: 865 3483 4377**
(Option to join by phone: 602-753-0140, same Meeting ID as above)

A. Call to Order

B. General Business—Items for Discussion and Possible Action

1. Approval of the Minutes for the Special June 18, 2025 Meeting
2. Approval of the Minutes for the June 26, 2025 Meeting
3. Next Meeting Date: September 25, 2025 @ 11:00 a.m.
4. Colorado River Post-2026 Operations
5. Designations of Assured Water Supply

C. Executive Director's Report

D. Future Agenda Items

E. Executive Session

Pursuant to A.R.S. Section 38.431.03.A.3 and 4, the AMWUA Board of Directors may vote to convene in Executive Session to discuss and consult for legal advice with AMWUA's legal counsel and consider its position on HBACA v ADWR CV2025-002623.

F. Consideration of Action Pursuant to Executive Session

G. Adjournment

*The order of the agenda may be altered or changed by the AMWUA Board of Directors. Members of the AMWUA Board of Directors may attend in person or by internet conferencing.

More information about AMWUA public meetings is available online at www.amwua.org/what-we-do/public-meetings, or by request.

Arizona Municipal Water Users Association

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**BOARD OF DIRECTORS SPECIAL MEETING
MEETING MINUTES
JUNE 18, 2025
ONLINE MEETING**

BOARD MEMBERS PRESENT

Mayor Scott Anderson, Gilbert, President
Mayor Mark Freeman, Mesa, Vice President
Councilwoman Kesha Hodge Washington, Phoenix, Secretary/Treasurer
Councilmember Matt Orlando, Chandler
Councilmember Bart Turner, Glendale
Councilmember Laura Kaino, Goodyear
Councilmember Jennifer Crawford, Peoria
Councilmember Nikki Amberg, Tempe

BOARD MEMBERS NOT PRESENT

Mayor Lisa Borowsky, Scottsdale
Vice Mayor Curtis Nielson, Avondale

A. Call to Order

Mayor Scott Anderson called the meeting to order at 8:00 a.m.

B. General Business—Items for Discussion and Possible Action

1. 2025 Legislative Session including Ag-to-Urban Legislation

Warren Tenney, Executive Director, explained that although the final legislative language has not yet been released, a consensus has been reached between the Governor's Office and Senate leadership on the key elements of an amendment to Senate Bill 1611 to establish the Ag-to-Urban Program. AMWUA has actively participated in stakeholder discussions throughout the legislative process.

The legislation would apply to the Phoenix and Pinal Active Management Areas (AMAs), with the option for the Arizona Department of Water Resources (ADWR) to expand it to Tucson if future unmet demands are identified. The program includes a five-year period during which certificates can be issued. Mr. Tenney noted that this was a provision AMWUA questioned and that AMWUA's recommendation to include additional

safeguards on these certificates was not adopted. Eligibility requires that irrigation grandfathered rights (IGFRs) have been used in at least three of the past five years.

After much negotiation, it is agreed to set the conversation rate at 1.5 acre-feet per acre in the Phoenix AMA and 1.0 acre-foot per acre in the Pinal AMA. The proposal also includes conservation provisions, such as a ban on non-functional turf, water parks, ponds, and decorative water features for developments using Ag-to-Urban credits. Additionally, municipalities cannot impose landscaping or park requirements on developments using Ag-to-Urban unless they provide the necessary water themselves.

Other provisions address how and where credits can be used. For designated providers, the retired water must be used within their service area. For certificates, the credits may only be used within one mile of the retired acreage. The program is designed to sunset in 10 years, with an evaluation report due in year eight. ADWR will have authority to extend the program beyond that point through rulemaking.

Mr. Tenney also addressed the Central Arizona Groundwater Replenishment District's (CAGRD) concerns, which centered on its ability to meet future replenishment obligations under the program. A previously proposed mechanism to pause new enrollments if water supply acquisition lagged was ultimately not included in the legislation. Instead, three alternative guardrails were introduced: (1) a commitment from the State Land Department to work with CAP to allow temporary use of its unused municipal and industrial (M&I) subcontract water to create long-term storage credits for CAGRD; (2) a legislative revision reducing CAGRD's replenishment reserve from a target of 20% of its 100-year obligation to an amount equal to five years of its current obligations; and (3) legislative intent language supporting CAP's efforts to acquire water supplies for both CAGRD and M&I subcontractor obligations.

In closing, Mr. Tenney stated that while not all of AMWUA's concerns were addressed—particularly regarding the lack of guardrails on certificates and the absence of a new enrollment pause mechanism for CAGRD—the proposal has been improved. He recommended that AMWUA change its position from “oppose” to “no position”, recognizing the political compromises made and the constructive role AMWUA has played throughout the process. He noted that if the legislation does not move forward, ADWR will likely begin a rulemaking process using this proposal as the foundation.

Councilmember Bart Turner expressed concern that the Ag-to-Urban water transfer program could potentially grow uncontrollably.. He questioned how the program could be kept from expanding rapidly in its first five years and becoming difficult to manage.

In response, Mr. Tenney acknowledged the concern and noted that the five-year limitation on certificate, combined with market pressures and the practical challenges of converting agricultural land to development, would help prevent the program from

becoming unwieldy. He emphasized that AMWUA's potential shift from opposing the legislation to taking a neutral position would already be a significant move.

Councilmember Turner clarified that while limitations exist, there are no firm caps—such as a specific number of homes or water volume—relying instead on market forces and procedural constraints. Mr. Tenney confirmed but noted the key safeguards are the five-year limitation for certificates and the 10-year program sunset.

Mayor Scott Anderson expressed support for shifting AMWUA's stance from opposition to a neutral or no position. He acknowledged Councilmember Turner's concerns and emphasized the importance of the Gila River Indian Community stepping in to support CAGRD's supplies for replenishment, calling it a significant development. While he would have preferred a 1.0 acre-foot conversion rate, he recognized the 1.5 acre-foot compromise as reasonable and noted the presence of guardrails and ADWR oversight. He concluded that remaining neutral was an appropriate and balanced approach.

Councilmember Nikki Amberg voiced concern that once the program is enacted in statute, it would be difficult to revise if implementation proves problematic. Although she would prefer a pilot-style package, she was comfortable with AMWUA remaining neutral, despite her reservations.

Councilmember Laura Kaino thanked Mr. Tenney for his work and supported taking a neutral position, citing the significant effort and compromise already made. She acknowledged that Goodyear relies on CAGRD for part of its water portfolio, which makes the program relevant to their interests, even if they are not directly using the Ag-to-Urban credits.

In response, Mr. Tenney he said he does not anticipate other AMWUA members directly utilizing the program. He emphasized that AMWUA's concern centered on the overall stability of CAGRD's plan of operation. He noted that the recent developments—particularly the Gila River Indian Community offering a lease agreement—are positive signs.

Mayor Mark Freeman made a motion for AMWUA to take a neutral or no position on the Ag-to-Urban legislation. The motion was seconded by Councilmember Jennifer Crawford.

Councilwoman Kesha Hodge Washington expressed support for taking no position on the Ag-to-Urban legislation, aligning with comments made by others. She voiced concern over the lack of safeguards for CAGRD and the provision limiting municipalities' ability to establish landscaping requirements, calling it a potential slippery slope. While she acknowledged the value of AMWUA maintaining a voice in the conversation, she emphasized that it should not come at the cost of supporting a proposal that doesn't fully align with the organization's values around responsible water stewardship.

Councilmember Laura Kaino asked for clarification on the difference between a "neutral" position and "no position." Mr. Tenney explained that taking a "no position" means AMWUA would not sign in on the legislation at all, while "neutral" is a formal designation that can raise questions about intent. Barry Aarons confirmed this explanation, adding that "no position" involves removing AMWUA's signing in entirely.

Upon further discussion and clarification, Mayor Freeman amended his motion for AMWUA to take a no position on the Ag-to-Urban legislation. The revised motion was seconded by Councilmember Laura Kaino and passed unanimously.

C. Adjournment

Mayor Anderson adjourned the meeting at 8:44 am.



**BOARD OF DIRECTORS
MEETING MINUTES
June 26, 2025
HYBRID MEETING**

BOARD MEMBERS PRESENT

Mayor Scott Anderson, Gilbert, President
Mayor Mark Freeman, Mesa, Vice President
Councilwoman Kesha Hodge Washington, Phoenix, Secretary/Treasurer
Vice Mayor Curtis Nielson, Avondale
Councilmember Matt Orlando, Chandler
Councilmember Bart Turner, Glendale
Councilmember Laura Kaino, Goodyear
Councilmember Nikki Amberg, Tempe

BOARD MEMBERS NOT PRESENT

Mayor Lisa Borowsky, Scottsdale

AMWUA Staff

Barry Aarons AMWUA	Tyenesha Fields, AMWUA	Warren Tenney, AMWUA
Michelle Barclay, AMWUA	Caitlyn Hall, AMWUA	Sheri Trapp, AMWUA
Paul Bergelin, AMWUA	Rhett Larson, AMWUA	

A. Call to Order

Mayor Scott Anderson called the meeting to order at 11:00 a.m.

B. General Business – Items for Discussion and Possible Action

1. Approval of the Minutes from the March 27, 2025, Meeting

Upon a motion made by Councilmember Laura Kaino and a second made by Councilwoman Kesha Hodge Washington, the AMWUA Board of Directors unanimously approved the May 22, 2025, meeting minutes.

2. Next Meeting Date: Thursday, September 25, 2025 – 11:00 a.m.

3. 2025 Legislative Session

Paul Bergelin, AMWUA's Water Policy Advisor, provided an overview of the legislative session, noting the session was anticipated to end soon with budget negotiations nearing completion. This session saw a record 130 water-related bills, with AMWUA successfully opposing many problematic proposals while supporting key measures for long-term water security. Key themes included continued debates on groundwater regulation in rural areas with limited progress, bills responding to the Phoenix Active Management Area groundwater model that has limited subdivision development, and the passage of an Ag to Urban program now awaiting the Governor's approval. Other legislation involved attempts to override groundwater pumping limits along with questions raised about the Central Arizona Groundwater Replenishment District's capacity to meet its obligations. Lawmakers also showed ongoing interest in stormwater as a resource. A bill proposed allowing new subdivisions by relocating issued but unbuilt Certificates and another one would have put the adopted ADAWS rules in statute, but with a lesser groundwater offset. Other legislation would allow Certificates to go forwarded that were halted per the Phoenix AMA groundwater model.

Regarding one of those bills, House Bill 2091, Warren Tenney, AMWUA Executive Director, explained that AMWUA opposed it because it would allow the approval of water certificates "in the pipeline" using the previous, not updated, Phoenix AMA groundwater model. After discussions with the Home Builders Association, they recently introduced an amendment requiring providers serving these certificates provide long-term storage credits to the Central Arizona Groundwater Replenishment District (CAGRD) for 25% of the certificate's replenishment obligation. While not exactly as AMWUA proposed, this amendment is seen as a positive effort to address CAGRD's structural issues. Although AMWUA remains opposed to the bill, the recent dialogue on this legislation has been constructive. Clarifications were made to Legislators to address any confusion about AMWUA's position in relation to the amendment. The bill passed the House but is expected to be vetoed by the Governor.

Mr. Bergelin highlighted other legislation beyond the assured water supply bills. Lawmakers supported budget allocations for potential litigation over Arizona's Colorado River water allocation. A bill initially proposing to broaden recovery of stored water to enable more groundwater pumping was amended to align with existing Department of Water Resources policy. Other measures included adjustments to Central Arizona Groundwater Replenishment District (CAGRD) fees, allowing ADAWS providers in Pinal AMA to gradually assume replenishment obligations for Member Lands as was done in the Phoenix AMA, and new conservation mandates for industrial users and landscaping. There were also bills to allow commingling of groundwater for new Certificates and others that would have undermined utility finances and operations. Despite the passage of the Ag-to-Urban bill, the Phoenix AMA groundwater model's impact will continue to affect legislation in 2026. Looking ahead to 2026, critical issues include negotiating Colorado River water cuts, addressing aquifer stress, and securing new

water supplies for, current users, new developments, and replenishment obligations. Bergelin emphasized the importance of collaborative efforts among lawmakers and stakeholders to navigate this complex, high-stakes water management landscape.

4. Post-2026 Colorado River Operational Guidelines

Mr. Tenney reported that Colorado River will be the primary focus for the next 18 months as we near the expiration of the River's current operating guidelines after 2026. Hydrologic conditions remain troubling with Reclamation is projecting 2025 will be one of the five lowest runoff years in the past 50–60 years, with only 54% of average runoff expected, despite near-average snowpack. Reservoir levels remain low, with total Colorado River Basin storage at 40%, Lake Mead at 31%, and Lake Powell at 34%.

Mr. Tenney reported on the Arizona Reconsultation Committee (ARC) meeting, where the Acting Assistant Secretary of the Interior reaffirmed the Administration's preference for a seven-state agreement but indicated readiness to impose a decision, if needed. A new "natural flow" or supply-driven concept is being modeled by Reclamation, which would base annual water deliveries from Lake Powell to Lake Mead on a percentage of the preceding three years' natural flow. This approach may form the foundation of a post-2026 consensus. Arizona is launching an intra-state planning process to prepare for anticipated reductions. ADWR and CAWCD are launching an intra-state planning process to prepared for anticipated reduction by first engaging stakeholders through listening sessions.

Mr. Tenney stressed that cities must prepare through both self-reliance and regional cooperation, noting that investment in long-term, reliable water supplies and infrastructure is essential. He concluded by emphasizing the need for creative, strategic planning, and that water security remains the foundation of Arizona's economic resilience.

Vice Mayor Curtis Nielson asked whether the current focus on 2026 marks a one-time milestone or the beginning of an ongoing cycle. Mr. Tenney noted that the post-2026 operational guidelines are meant to be for a 20-year period, which is same as the current one.

Mayor Mark Freeman asked for clarification on the timeline for Ted Cooke's appointment as Reclamation Commissioner and how it fits into the broader Colorado River planning process. Mr. Tenney responded that timing for the confirmation hearing is unclear, but the urgency around Colorado River negotiations should add pressure on his confirmation. If no Basin States agreement is reached, the Secretary of the Interior will put forward a federal proposal to be included in the Environmental Impact Statement (EIS), which would guide post-2026 river operations.

Councilmember Laura Kaino followed up, asking specifically how Mr. Cooke's confirmation fits into the process. Mr. Tenney explained that since confirmation hearings are unpredictable, letters of support are encouraged from numerous stakeholders. AMWUA will send a letter. He noted that Colorado remained publicly silent on the nomination, but there is optimism that Mr. Cooke will receive support. In the meantime, the Administration has been more engaged on Colorado River issues, as evidenced by recent outreach from federal officials seeking input from municipal water providers.

5. Agreement with the University of Arizona for the Smartscape Program

Mr. Tenney explained the annual agreement for the Smartscape Program, a partnership with the University of Arizona that provides training for landscape and irrigation professionals on sustainable, desert-adapted landscaping. He emphasized the program's importance in supporting member cities' conservation efforts by improving water efficiency in landscaping. The AMWUA Management Board recommended approval of the one-year agreement for Fiscal Year 2026.

Upon motion made by Councilwoman Keisha Hodge-Washington and seconded by Councilmember Matt Orlando, the board unanimously approved the agreement.

6. Agreement with The Aarons Company

Mr. Tenney reported that AMWUA has worked with the Aaron Company for 12 years to advocate, monitor, and evaluate legislation at the Arizona Legislature. He emphasized the importance of continuing this partnership, especially as AMWUA plans to add an internal government relations position in the upcoming budget. The Aaron Company would serve as AMWUA's outside legislative consultant and help coordinate with the new internal staff to increase legislative influence. He recommended authorizing an agreement with the Aaron Company at a monthly rate of \$4,500 through June 30, 2026.

Upon motion made by Councilmember Matt Orlando and seconded by Councilwoman Keisha Hodge-Washington, the Board unanimously approved the agreement with The Aarons Company.

7. Fiscal Year 2026 AMWUA Budget

Mr. Tenney said no update to the proposed budget had been made since it was presented last month. The proposed budget totals \$1,869,430, reflecting a 9.9% increase from the current year. To mitigate the impact on member assessments, a projected budget carryover of \$100,000 will be used, helping keep assessment increases below the previously projected 6.5% from last December. He emphasized the commitment to fiscal responsibility and offered to answer any questions or provide further details.

Upon motion made by Vice Mayor Curtis Nielson and seconded by Councilmember Matt Orlando, the Board unanimously approved the Fiscal Year 2026 budget, as presented.

8. Media Partnership Opportunity

Sheri Trapp, AMWUA's Communications Director, presented a media partnership opportunity with KTAR, involving an \$85,000 year-long sponsorship to advance AMWUA's communications goals. The partnership aims to expand water security messaging, respond to current issues like legislation and the Colorado River, and better communicate the municipal perspective to a broader Arizona audience. Ms. Trapp emphasized the flexibility of the program to pivot content as needed and highlighted the importance of being recognized as water experts. Mr. Tenney explained the cost would be covered using AMWUA's reserve fund, with the option to consider budgeting for it in future years depending on this effort's outcomes. Ms. Trapp added that she plans to meet with KTAR's news director to ensure responsiveness and serve as a resource for accurate water information.

Councilwoman Keisha Hodge-Washington expressed strong support, noting the prevalence of misinformation and the importance of a reliable municipal perspective in media, especially to counteract misconceptions in community discussions. Vice Mayor Curtis Nielson appreciated the initiative and raised the question of how success will be measured after one year, emphasizing the need to gauge impact on public understanding and legislative outcomes. Councilmember Bart Turner also voiced support, highlighting the importance of getting key messages out and the need for reevaluation after 9-10 months to decide on future budgeting.

Upon motion made by Councilmember Laura Kaino and seconded by Councilwoman Keisha Hodge-Washington, the Board unanimously approved the use of up to \$85,000 from the reserve fund for AMWUA to be the sponsor of KTAR's Water Watch for the next 12 months.

C. Executive Director's Report

Mr. Tenney introduced Caitlyn Hall, AMWUA's new Water Conservation and Demand Management Coordinator. She brings valuable expertise from her previous roles as a water resources engineer in New Mexico and a former professor at the University of Arizona.

D. Future Agenda Items

There were no requested future agenda items.

E. Adjournment

Mayor Anderson adjourned the meeting at 12:13 pm.

AMWUA BOARD OF DIRECTORS

INFORMATION SUMMARY

August 28, 2025

Post-2026 Colorado River Operations

ANNUAL PLAN REFERENCE

Colorado River Transition

Assist, monitor, and coordinate the impacts of reduced Colorado River water to ensure our members' interests are forefront.

Strategic Plan: Facilitate our Strength in Numbers, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Prepare for Impacts of Drought & Shortage, Minimize Financial Impact

SUMMARY

Last week, the US Bureau of Reclamation announced that Lake Mead would continue to be at a Tier 1 shortage in 2026. More importantly, next year is the last year for the Colorado River system to be managed under the current 2007 interim guidelines. There is no certainty for how the river will be managed beginning in 2027. The seven Basin States continue to meet but there is no indication of consensus between the Upper and Lower Basins. Reclamation is evaluating a new concept for managing the river based on the natural flow that is produced. Plus, the river's hydrology continues to confirm that the Colorado River is producing less water. This year's projected unregulated runoff inflow into Lake Powell is 50% despite the snowpack in the upper Colorado River Basin being nearly average this winter. This makes for one of the five direst years in the last 50 to 60 years.

AMWUA staff will provide an update about the Colorado River negotiations and hydrology along with the potential implications for Arizona.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions and discuss the Colorado River situation.

AMWUA BOARD OF DIRECTORS

INFORMATION SUMMARY

August 28, 2025

Designations of Assured Water Supply

ANNUAL PLAN REFERENCE

Sustainable Water Management

Promote efforts and policies that will sustain and safeguard our members' water resources and prepare for critical water management issues.

- Redesignation – Assist our members in working with ADWR to complete the renewal of their Assured Water Supply Designation.

Strategic Plan: Facilitate our Strength in Numbers, Educate – Excel as an Expert and Resource, Collaborate and Advocate for Solutions, Safeguard Water Supplies, Strengthen Groundwater Management, Prepare for Impacts of Drought & Shortage, Pursue Post-2025 Water Policy, Interconnect Disciplines

SUMMARY

Since the 1990s, each AMWUA city has demonstrated a 100-year assured water supply under Arizona's Assured Water Supply Program. The water security provided by these 100-year designations gives consumer protection to homeowners and economic assurance to business and industries within the AMWUA cities. Those 100-year designations are renewed every 10-15 years. The Arizona Department of Water Resources is in the process of reviewing each of the AMWUA's cities applications for redesignations.

AMWUA staff will provide an overview about designations and their importance along with an update of ADWR's process to review and renew the AMWUA cities' designations.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions about designations of assured water supply.