

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

ARIZONA MUNICIPAL WATER USERS ASSOCIATION BOARD OF DIRECTORS

MEETING NOTICE AND AGENDA

October 23, 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 <u>Link</u> 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 from the September 25, 2025 Meeting
 - 2. Next Meeting Date: December 11, 2025 @ 11:00 a.m.
 - 3. Post-2026 Colorado River Operations
 - 4. Update on Efforts to Develop New Supplies
 - a. Water Infrastructure Finance Authority's Long-Term Augmentation Fund
 - b. Expansion of Bartlett Dam
 - c. Advanced Water Purification
 - d. Groundwater Transportation Basins
 - 5. Nominating Committee for 2026 AMWUA Board Officers
- C. Member Reports
- D. Executive Director's Report
- E. Future Agenda Items
- F. Adjournment

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

^{*}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.



BOARD OF DIRECTORS MEETING MINUTES September 25, 2025 HYBRID MEETING

BOARD MEMBERS PRESENT

Mayor Scott Anderson, Gilbert, President Vice Mayor Curtis Nielson, Avondale Councilmember Bart Turner, Glendale Councilmember Laura Kaino, Goodyear Vice Mayor Jennifer Crawford, Peoria Councilmember Nikki Amberg, Tempe

BOARD MEMBERS NOT PRESENT

Mayor Mark Freeman, Mesa, Vice President Councilwoman Kesha Hodge Washington, Phoenix, Secretary/Treasurer Councilmember Matt Orlando, Chandler Mayor Lisa Borowsky, Scottsdale

AMWUA Staff

Michelle Barclay, AMWUA Caitlyn Hall, AMWUA Warren Tenney, AMWUA Paul Bergelin, AMWUA Rhett Larson, AMWUA Sheri Trapp, 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 Meeting Minutes from the August 28, 2025 Meeting

Upon a motion made by Vice Mayor Curtis Nielson, and a second made by Vice Mayor Jennifer Crawford, the AMWUA Board of Directors unanimously approved the August 28, 2025 meeting minutes.

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

3. 2025 Colorado River Post-2026 Operations

AMWUA's Executive Director, Warren Tenney, provided an update on the Colorado River, noting that negotiations between the Upper and Lower Basin states are ongoing, but both sides remain deeply entrenched, with little progress toward consensus. If no agreement is reached by November 11, the federal government is expected to intervene, though specific decisions may not be known immediately.

Mr. Tenney explained that there is growing anticipation that the Lower Basin states will face a 1.5-million-acre-foot reduction after 2026, which would include a 760,000 acrefoot reduction for Arizona—equating to roughly a 20% cut to municipal and industrial supplies. He provided context about Arizona's 95 Colorado River water users and the priority system, emphasizing that CAP holds a junior priority to all other users. CAP's deliveries have dropped from 1.6 million acre-feet historically to approximately 831,000 acre-feet in2026 . Mr. Tenney highlighted the worsening hydrology, noting that despite a near-average snowpack (92% of the 30-year norm), inflows to Lake Powell are only 49%, showing the river's declining yield. Researchers warn that Lake Mead and Lake Powell could reach critical levels by next summer, threatening power generation and dam operations.

Councilmember Bart Turner noted that growing uncertainty around the Colorado River increases the likelihood of stricter enforcement of existing legal frameworks. He asked whether the Colorado River Compact requires the Upper Basin to deliver a specific amount of water to the Lower Basin and if that requirement is negotiable. Mr. Tenney confirmed that the Compact does require the Upper Basin to deliver a set amount averaged over ten years, but explained that the Upper Basin disputes this obligation, and the federal government has not taken a clear position. The Lower Basin remains frustrated and is seeking assurances that water deliveries will continue after 2026, while uncertainty persists until a decision is reached.

Rhett Larson, AMWUA's Legal Counsel, added that the key dispute centers on how the Compact is interpreted: the Upper Basin argues it is only required to deliver what is naturally available, while the Lower Basin insists the Compact mandates a fixed delivery of 75 million acre-feet over ten years. Rhett Larson noted that this disagreement is a central issue in negotiations and potential litigation.

4. Lessons from 2019 Drought Contingency Plan

Paul Bergelin, AMWUA's Water Policy Advisor, provided an overview of the Lower Basin Drought Contingency Plan (DCP), adopted in 2019 to amend the 2007 Interim Guidelines, which coordinated water releases from Lakes Mead and Powell and

managed shortages among the Lower Basin states. He explained that the 2007 Guidelines proved insufficient as drought conditions intensified, prompting the DCP's creation to impose deeper reductions and refine the use of Intentionally Created Surplus (ICS) water stored in Lake Mead. The DCP establishes shortage tiers based on Lake Mead's projected elevation from the August 24-month study and expires at the end of 2026. Arizona, as the lowest-priority user in the Lower Basin, bears the largest reductions, particularly through the Central Arizona Project (CAP).

To address this, Arizona developed a two-part Implementation Plan: a mitigation strategy to reduce impacts on non-Indian agricultural (NIA) and agricultural (Ag Pool) users, and an offset strategy to store water in Lake Mead as ICS for mitigation use. In 2022, six irrigation districts in the Pinal AMA received 105,000 acre-feet of mitigation water, and by 2023 transitioned to groundwater pumping supported by \$84 million in combined funding. The Gila River Indian Community (GRIC) and Colorado River Indian Tribes (CRIT) compensated for storing up to 400,000 acre-feet of water in Lake Mead as ICS to help offset CAP's reductions.

Despite these efforts, Mr. Bergelin noted that DCP reductions were not enough to stabilize the Colorado River system, leading to additional actions such as the 500+ Plan, voluntary system conservation agreements, and Arizona's contribution of over 4.2 million acre-feet since 2020. These measures helped prevent Lake Mead from reaching dead pool levels; however, Mr. Bergelin emphasized that the DCP focused primarily on reservoir elevations rather than the river system's overall health, resulting in a reactive, crisis-driven management approach that left Arizona—especially CAP users—bearing most of the risk.

Vice Mayor Curtis Nielson asked what a "doomsday" scenario might look like if the Central Arizona Project (CAP) canal were to dry up, questioning whether water would still reach residents and agricultural users given the state's dependence on CAP, SRP, and groundwater supplies serving about 3.7 million people. Mr. Tenney responded that such a situation would be severe and that there is no existing framework to address a total CAP failure since it was never envisioned or planned for. He emphasized that he believes the federal government would not want to see the CAP canal go dry due to the catastrophic economic consequences but acknowledged the uncertainty. Drawing on Arizona's experience implementing the DCP, Mr. Tenney said the state has shown it can develop creative mitigation and compensation strategies. We will need to do so again for post-2026 reductions, stressing the importance of early collaboration between ADWR, CAP, and other stakeholders.

Mayor Scott Anderson asked Barry Aarons whether there was any sense of concern or urgency at the state legislature as the November 11 deadline for potential federal action on the Colorado River approaches. Barry Aarons responded that legislators are aware of the situation and the lack of resolution but noted that, based on past experience, the legislature typically waits until the last possible moment to act. He recalled that during

the 2019 passage of the Drought Contingency Plan (DCP), lawmakers approved it on the evening of the final deadline, January 31. Aarons added that he has not yet heard any specific legislative proposals but emphasized that any action would depend heavily on the outcome of the ongoing federal and basin-state negotiations.

5. AMWUA's Currents Conservation Efforts

Caitlyn Hall, AMWUA's Water Conservation and Demand Management Coordinator, provided an update focused on proactive water conservation planning and collaboration among member cities. She explained that AMWUA's conservation and water resources teams are working together to develop strategies that allow municipalities to respond effectively to future water reductions. One of the key projects underway is the creation of an internal conservation repository—a living database compiling all conservation programs, ordinances, and drought preparedness plans across AMWUA cities. This repository will help cities share information, align messaging, and identify the most effective conservation strategies while maintaining flexibility for each municipality's unique circumstances. The repository currently catalogs around 70 conservation actions organized into nine categories, such as outdoor water efficiency, landscape conversion, green infrastructure, leak detection, and demand management.

Ms. Hall also shared AMWUA's involvement in the distribution of over 450 copies of the Arizona Desert Landscape Plants guide at the Arizona Nursery Association's SHADE Conference and upcoming participation in the WaterSmart Innovations Conference in Reno to showcase regional conservation leadership. Additional efforts include developing a new Xeriscape landscaping guide to help residents replace turf with desert-friendly plants, forming new working groups focused on non-residential conservation, outreach and communications, and data analytics, and to preserve institutional knowledge and best practices. Finally, Ms. Hall discussed AMWUA's involvement in supporting the federal Water Efficiency Rebate Parity Act, which seeks to make water efficiency rebates non-taxable, aligning them with energy rebates.

Vice Mayor Curtis Nielson commented that while he supports water conservation, implementing it across numerous HOAs will be challenging due to differing priorities and limited engagement. He noted that even within his own HOA there are disagreements over maintaining green spaces versus adopting conservation measures, and that water remains a major expense despite some efforts to reduce grass areas. Ms. Hall acknowledged that reaching HOAs is a key challenge identified by the commercial, non-residential, and HOA working group and are working to improve communication and outreach. Mr. Tenney added that member cities have made significant progress in expanding conservation programs, which have much in common.

C. Executive Director's Report

Mr. Tenney reported that AMWUA's legal counsel filed an amicus brief on September 18 in support of the Arizona Department of Water Resources (ADWR) in the Home Builders Association lawsuit. Mr. Larson explained that the court has not yet ruled on the motion to file but that oral arguments on ADWR's motion to dismiss are set for September 29, with summary judgment hearings likely in early November. He noted AMWUA's brief is the only one supporting ADWR and that amicus briefs at the trial level are uncommon. Whatever the ruling, he anticipates the case will likely be appealed.

Mr. Tenney also announced the hiring of Aly Slobodzian as AMWUA's new Government Relations Director, noting her experience with the Phoenix Realtors Association, the Arizona State Senate, and ASU's Government Relations team.

D. Future Agenda Items

There were no requested future agenda items.

E. Adjournment

Mayor Anderson adjourned the meeting at 12:18 pm.



AMWUA BOARD OF DIRECTORS

INFORMATION SUMMARY

October 23, 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

The current 2007 interim guidelines for the Colorado River system expire next year. The seven Basin States are still meeting but there is no indication of consensus between the Upper and Lower Basins on what the new operational guidelines should be. The United States has told the Basin States that if they have not reached an agreement by November 11, 2025, Reclamation will move forward with an alternative. At the same time, 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 49% despite the snowpack in the upper Colorado River Basin being nearly average this winter.

AMWUA staff will provide an update about the Colorado River negotiations and hydrology.

RECOMMENDATION

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



AMWUA BOARD OF DIRECTORS

INFORMATION SUMMARY

October 23, 2025

Updated on Efforts to Develop New Supplies

ANNUAL PLAN REFERENCE

Colorado River Post-2026

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

- Facilitate opportunities to assist and synchronize continuing preparation for less Colorado River water.
- Support collaboration for actions to replace Colorado River water with other long-term supplies, including Advanced Water Purification, Bartlett Dam expansion, stormwater capture and reuse, and other long-term augmentation alternatives.

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

Finances & Water

Examine, analyze, and influence water positions and policies that impact our members' finances.

- SRP Better understand the impact of SRP's long-term water costs, including the expansion of Bartlett Dam.
- WIFA Promote investment in projects that align with the Augmentation Principles and support permanent funding for augmentation and conservation at the state level.

Strategic Plan: Collaboration and Advocate for Solutions, Safeguard Water Supplies, Prepare for Impacts of Drought & Shortage, Minimize Financial Impacts

SUMMARY

With reductions to Colorado River water anticipated starting in 2027 and other motivating factors, the AMWUA cities and other entities have been pursuing major water projects to generate new supplies. This agenda item is to give a progress update on those efforts, including developing augmentation projects with WIFA's Long-Term Augmentation Fund, the expansion of Bartlett Dam, utilization of Advanced Water Purification, and development of Groundwater Transfer Basins. Presentations will be given on each of those projects.

RECOMMENDATION

The AMWUA Board of Directors is requested to ask questions and discuss these efforts to develop new water supplies.

Arizona Municipal Water Users Association



BOARD OF DIRECTORS

INFORMATION SUMMARY October 23, 2025

Nominating Committee for 2026 AMWUA Board Officers

STRATEGIC PLAN REFERENCE

Operational Principles – Facilitate our Strength in Numbers

SUMMARY

The AMWUA Board of Directors is to elect a President, Vice President, and Secretary-Treasurer by its December meeting. The officers serve from January 1, 2026 through December 31, 2026. To meet this requirement, the current President of the Board is to appoint a three-member nominating committee to recommend a slate of officers.

According to the AMWUA By-laws, the officers are to each have served on the current Board of Directors at least from January 1, 2025 through December 31, 2025. Each officer must be able to serve for a one-year period. Each officer also may serve a maximum of two consecutive years in the same position. For example, the current officers have served one year in their current positions and so could serve another year in those same positions, if they wanted to and the majority of the Board agreed. A member of the Board of Directors may serve a maximum of six consecutive years as an officer.

All current Board members - Nikki Amberg, Scott Anderson, Lisa Borowsky, Jennifer Crawford, Mark Freeman, Kesha Hodge Washington, Laura Kaino, Matt Orlando, Curtis Nielson, and Bart Turner - meet the requirements to serve as President, Vice-President and Secretary-Treasurer.

Any Board member who is interested in serving as an officer and meets the above-noted requirements should submit a letter by December 1st to the Executive Director. All letters of interest will be forwarded to the appointed nominating committee.

RECOMMENDATION

The President of the AMWUA Board of Directors is requested to appoint three members of the Board as a nominating committee to recommend a slate of officers for President, Vice President and Secretary-Treasurer for calendar year 2026.