

UPPER VERDE RIVER WATERSHED PROTECTION COALITION  
PRESCOTT, ARIZONA  
JULY 25, 2007

MINUTES

A MEETING OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION WAS HELD ON JULY 25, 2007 in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

Chairman Fann called the meeting to order at 2:06 p.m.

**ITEM NO 1. Introductions, Awards and Presentations**

**Members present:**

Mayor Karen Fann, Town of Chino Valley, Chairman  
Councilman Mike Flannery, Town of Prescott Valley, Vice Chairman  
County Supervisor Carol Springer, Yavapai County  
Mayor Rowle P. Simmons, City of Prescott  
Ernie Jones, Sr., Prescott-Yavapai Indian Tribe

**Members absent:**

Dewey-Humboldt Representative

**Staff present:**

John Munderloh, Town of Prescott Valley  
John Rasmussen, Yavapai County  
Chris Moss, Yavapai Prescott Indian Tribe  
Jim Holt, City of Prescott  
Shaun Rydell, City of Prescott

**Guests present:**

Bob Luzius, Prescott City Councilman  
Mary Ann Suttles, Prescott City Councilwoman (arrived at 3:40 p.m.)  
Bob Bell, Prescott City Councilman  
Jim Lamerson, Prescott City Councilman  
Edie Dillon  
Ed McGavock  
Crystal Frost  
Richard B. Farnsworth  
Louis Bellesi  
Thomas Slaback

Yvonne Dorman  
Ken Janecek  
Walt Anderson  
Candace McNulty  
Joanne Oellers  
Ashley Fine  
Richard Fine  
John Zambrano  
Kaqolin Young  
Jack D. Wilson  
Michelle Harrington  
Lauren Millette

**ITEM NO 2. Call to the Public**

None.

**ITEM NO 3 Approval of Minutes – June 27th, 2007 Meeting**  
[Committee]

Chairman Fann noted that the minutes needed to be amended to indicate that Jim Holt from Prescott was also present. MEMBER SIMMONS MOVED TO APPROVE THE MINUTES AS AMENDED; SECONDED BY MEMBER FLANNERY; PASSED UNANIMOUSLY.

**ITEM NO 4. Presentation & Discussion – Proposal to Support an Upper Verde Water Management District and Policy Issues**

[Howard Mechanic, Citizens Water Advocacy Group (CWAG)]

Mr. Mechanic thanked the Chairman and Coalition members for placing this issue on the agenda. He is the Public Policy Chairman for CWAG and CWAG has endorsed the proposal and the written document that was sent out with the packet. He said that he will be making some verbal comments today, which do not necessarily reflect the views of CWAG unless specified.

Mr. Mechanic said that this is a request to the Coalition to establish a work group to look into management options for the Active Management Area and the Big Chino area. He's asking to get some people together to discuss the options, discuss the situation they have now and what may be in the future, come up with some ideas and propose some alternatives, but not make any decisions; the Coalition would make the decisions.

He then presented a PowerPoint presentation, highlighting the information contained in Exhibit A, attached hereto and made a part hereof. At the

close of the presentation, Chairman Fann thanked Mr. Mechanic for his time, noting that he had put a lot of thought and research into it.

Member Simmons asked for further explanation on Mr. Mechanic's ideas on the make-up of the group, specifically the development interest. Mr. Mechanic said that they could invite the Homebuilders Association for the Contractors Association to send a representative, or a large landowner. They don't want to bring someone in that is totally opposed to protecting the Upper Verde because that is the goal of the Coalition, to protect the Upper Verde, and to reach safe yield.

Mr. Mechanic said that Representative Mason was at a CWAG meeting a few weeks ago and they discussed this with her. If they need state legislation, which he believes they do, the only way it is going to happen is if the Coalition agrees unanimously and the large interests up here agree to ask her and the Legislature for help. If they can go to the Legislature agreeing on the issue, and have it be specific to this area, something could happen.

Mr. Mechanic said that the Coalition would decide who the parties are. The only ones that have to be are members of the Coalition; they then decide who else is involved. He said that they are busy people and he believes they need a work group. Perhaps they have non-voting members; however, he doesn't think this is going to be a voting group. This would be a consensus building group.

Member Simmons said that he believes that the key issue that will come up before this group will be exempt wells. Mr. Mechanic said it won't be easy. He said that he was discussing this with a council member and it was suggested that all existing exempt wells be grandfathered, and as property is sold then they would have to meet current regulations. He told that individual that it may be a good idea, but those are the types of ideas that need to be looked at by this work group.

Vice Chairman Flannery said that one segment that they may want to consider including in the work group is attorneys, because he could see all sorts of conflicts arising. Mr. Mechanic said that would be up to the Coalition, but he would say that staff could consultant with the attorneys; he doesn't know that they would need to have attorneys as a part of the group.

Discussion was held on whose jurisdiction this would be under. Mr. Mechanic said that the County wants to assist the cities and if the County wanted to solve this themselves, that would be fine, but perhaps the cities could assist the County. Vice Chairman Flannery asked if that would be done through a district. Mr. Mechanic said that it could possibly

be done through a district, or there may be other ways as well. He has talked with Supervisor Springer and she suggested perhaps something could be done with impact fees or user fees and Supervisor Thurman has suggested the same type of thing. He doesn't know if they can get there from here, but that is not something that has to be decided today.

Vice Chairman Flannery said that the last time a district was suggested, he had received several e-mails from landowners that were very much opposed to their pursuing a district. Mr. Mechanic said that they have to reach their goal, and if someone comes up with a plan to reach that goal that doesn't require a district, that would be great, but they need to reach the goal.

Vice Chairman Flannery said that even if the legislation proposed was specific to this area, those in the White Mountains would be very interested in it because of what may come in the future.

He said that he appreciated that Mr. Mechanic had rolled up his sleeves and was willing to invest himself in this issue.

Member Springer echoed Vice Chairman Flannery's comments; she appreciated his work on the issue. She particularly liked the comments with regard to the Prescott AMA because it is logical for that group to consider amending their mission to include a goal of reaching safe yield. She suggested that they refer that to the technical advisory committee and ask them to think about it and come back with a recommendation.

Member Springer said that she does have some concerns with portions of the presentation that addresses the Big Chino. With every proposal that has been suggested, they address the potential issue of Proposition 207, potential conflicts with limiting property rights. She said that Mr. Mechanic had suggested having someone come up from the San Pedro, and they did. Mary Ann Black was there that represented the Natural Resource Conservation District and she sits on the Board of the San Pedro Partnership. She hopes that at some point in the future they can discuss some of the suggestions Ms. Black brought to the Coalition.

Member Springer said that she would prefer to work on projects that would maintain the base flow of the Verde River, and expand those same types of projects on how they can recharge the aquifer, doing it relatively inexpensively. She doesn't think there is any specific need to create another huge group. There's no reason why they can't have the input at the Coalition's meetings. Any organization or person that wants to come up and discuss issues, she sees no reason not to do that. She sees no need to have it so formalized, but it appears that Mr. Mechanic believes that it needs to be a formalized group. She's hoping that once they get

their consultant on board, that they can get some formal ideas developed to be brought before the public for further discussions.

Mr. Mechanic said that he does share Member Springer's concerns with regard to Proposition 207. He said that there are exemptions to that, including health and safety of the public. When they're dealing with the water supply, that exemption may apply.

In protecting property rights, they get back to the argument about the Tragedy of Commons, and if they manage their water supply their value could go down. He could say that if they don't manage their water supply their property value will go down in the future.

Mr. Mechanic said, with regard to the San Pedro presentation, he did not recall her talking about the planning and organization she was there to talk about enhancing recharge in the area.

He does support her statement that they are an action-oriented group and they want to do things instead of study things; however, he doesn't think that with the tens of thousands of homes in the Big Chino that this type of recharge project will go anywhere near denting that type of demand. Last year staff said that unless there are management plans, that type of water enhancement plan will not do the job.

He is asking that staff study his ideas, come up with the alternatives, and come back to the Coalition. If they're open to his ideas then have them study it and come back, and have the Coalition take the action. He wants to see solutions. He doesn't believe that the Coalition is the venue to be analyzing all of the alternatives; staff should be doing that.

Member Simmons asked if a solution could be done without incorporating the Legislature. Mr. Mechanic said it is possible, though he is not convinced. That needs some investigation and the work group would be the place to do it. Mayor Simmons said that he is a little scared in involving the Legislature because they could become more far-reaching than intended.

Member Springer said they would have to show a definite nexus between the impact fees and any damage, and it is difficult to do that if you have not determined the impact.

Chairman Fann said that there are a lot of issues, and this was to open the door to start thinking about them. She said that this has made them really aware about a lot of issues. She also understands that good ideas don't happen overnight; sometimes they have to crawl before they walk so while they're talking about a lot of good ideas, there might be things that

they need to work their way through, and maybe forming something, and amending their goals, she would defer to the TAC to see how much time they have and how they'd like to work through this, but there is no reason why they can't at least start with some of the common sense remedial things like conservation and working together in municipalities with the types of trees, etc.

Chairman Fann said that perhaps they should start talking about buying conservation easements, and then they'd have to talking about funding. She said they need to start the conversation about all of the septic tanks, in addition to the exempt wells. It is a lot easier to help people get off of their septic and onto a sewer and recharge facility than to step on the wells. While they may be working on the wells, maybe they should start working toward sewer and recharge.

Chairman Fann said that in Chino Valley they are encouraging the Planned Area Development, where they can put a packaged plant there and dry sewer it. They've done the same thing and created a new private well company, so they're on a well system with one large monitored well, rather than several little ones.

Mr. Mechanic said that he appreciated those comments, but he believes that if they don't have a plan on how they are going to reach their goal, they won't get there. It is easy to quantify the impact in the AMA for having an exempt well

Chairman Fann then opened it up for public comment, asking that it be limited to a total of ten minutes.

Thomas Slaback said that in order to avoid an Oklahoma-like land rush to pump the Big Chino and potential impact the Verde River, he endorses the request being made to establish a working group under the Coalition and he thinks that they need a management plan to prevent such pumping rush.

Ken Janecek said he would also endorse what Mr. Mechanic suggested. A working group is very appropriate and it is a very urgent thing. The urgency stems from the fact that there are half-million acres in the Big Chino that are going to be developed some day. As those get developed, they could support a half-million people or more. If there is an overdraft now in the Little Chino representing 12,000 acre feet for 100,000 people, he asked what kind of overdraft and what kind of protection they will have when there are half-million people.

Mr. Janecek said that all of their thinking has to be focused on understanding what long-term is going to happen so their decisions with

the short-term will be consistent with what will help them in the long-term. He said that a study group would be a way to look into this issue. He said that the WAC has already looked into using the Bureau of Reclamation to do a study. Hopefully they will catch up with what Coconino County, Payson, Sierra Vista, and the Navajo Nation in New Mexico have already done.

He said that if they determine that they won't have enough water, they'll have to go to other resources, such as the Colorado River, and if they wait for 20-30 years it will be too late to buy rights of the river at reasonable rates.

John Zambrano said he was a retired environmental engineer, and he supports the ideas put forth by Mr. Mechanic and also by Mr. Janecek. He is encouraged by the Coalition's receptivity. He had participated in the GUAC report issued that identified obstacles and opportunities for safe yield. It was a step forward, but it will be worthless unless the next steps in the report are put forth and a plan to achieve safe yield is developed. He is disappointed that there has been no follow-up to the next steps identified in the report and he's hoping they'll move from where they are and do that.

Mr. Zambrano said that it should be apparent that there is no single entity that can achieve safe yield for the AMA or protect the flow in the Upper Verde; a cooperative effort is needed and it is apparent that ADWR is not going to be the one to lead them on it. They need to want to do it. The Sonoran Institute recently issued a report on water management in the Upper Verde Watershed and its program manager said that additional controls on water uses are needed. It referred to that idea as a "no brainer." A water management district may be the way to achieve the management needed. A work group as suggested in the overdue next step. He asked that the group form a work group and also join the Verde River Basin Partnership.

Richard Fine said he used to live here; he now lives in Dallas, Texas. He said that they are all biased, but the value of a work group is that they can challenge their biases. The other thing is that it is difficult to work through strategies with public input and private meetings. Everybody knows the depth of the impact and shares the concerns. Consultants, at best, reflect the interests of those that hire them. They are valuable, but as he looks at the tobacco industry, there are consultants for every aspect.

He said that the value of the work group is that it allows for substantial, in-depth investigation of the things that enter the solution and the plan. It does bring people to an even playing field and it also brings solutions.

Michelle Harrington, representing the Center for Biological Diversity, said she appreciated the plain-spoken comments previously made. She wanted to thank Chairman Fann for having her office reach out to conservation groups regarding the Chino Grande Pipeline proposal. She said that it wasn't an endorsement of the pipeline, but they valued being consulted. It is very prudent for the Coalition to move forward with regional water management, including conservation to best protect current and future interests in the region's groundwater and surface water, including the Upper Verde River.

She would also suggest that the Coalition and communities move toward a regional growth plan as well as regional habitat conservation plan so that all members are on board, so all communities that have a stake in this can have their views and concerns and future as part of the plan. This would provide for the public to be a part of the conversation because many of the people that live here do care about the rate of growth, rate of water extraction and the flows of the River, so they are a party to this too.

Ashley Fine said that she also endorses the recommendation to form a working group. Part of that reason is that she also attended the CWAG meeting where Lucy Mason gave a presentation and the thing that stuck out to her is that she commented that this area was a poster child for every water issue in the State—water quality, water availability, limited supply, getting water here, and they need to be thinking about those issues, go forward with their eyes wide open.

Yvonne Dorman said that she, too, believes in water conservation and she thinks she does it quite well since her well gets only 1/3 gallon per minute. She would be thrilled to pay in impact fee if she had the same privileges with which Mr. Mechanic was talking about. He gets privileges from pipes; if they break the City pays for them and takes care of them. If a pipe breaks in her well system, she pays for it. She asked if she were to run out of water and has to buy water, if this program would buy that water for her.

Ms. Dorman said she is not opposed to water conservation; she is scared. She doesn't even know what group she is in today, as there are so many water groups. She doesn't understand the figures. If there are 20,000 homes on exempt wells and the normal allocation is 1/3 acre feet per home when a house is built, that is 109,000 gallons of water. With 20,000 homes times 109,000 gallons of water, that comes to 6700 acre feet. If there is only 8,000 acre feet available to be pumped, then there is something wrong with the figures.

Chairman Fann said that they will have a representative for the exempt well people because they need to have some input on this.

Ms. Dorman said that if the statement is that they all have a straw in the same bowl, she wants to know that her infrastructure is just as strong as the other end. She asked if the rainwater that runs off of her roof is hers. Chairman Fann said that those are all things that would have to be discussed.

Member Springer said, in representing the County, that since the County is not a water provider, almost everyone in the County is on an exempt well unless they're in a subdivision that has its own water supply, which is a rarity in the County. She doesn't share the perspective of those that look on those with exempt wells as "the problem." That's why sometimes people like Mr. Mechanic and herself don't agree is because people living outside a water service area have every right to live, to drill a well, just as those within a municipal boundary. She wanted to ensure Ms. Dorman that people on exempt wells have the right to use that water.

Mr. Mechanic said that he is not saying that the exempt wells are the problem. Everyone has to solve their own overdraft and he wanted to clarify that he's not asking that the City provide pipes that someone else is paying for. He's paying for the system and part of the pipes. The one-third of an acre foot includes a home's use plus the nonresidential use averaged out for each home. He also has not stated that people don't have the right to use water from their wells.

Frank (Charging Bear) Creelman said that he is glad to see that people are accepting the fact that they have a water problem, and putting in pipelines from Chino Valley and Prescott to drain the system down is not the solution. This is a desert area, but this area has a lot of trees and lawns. People should have cactus and buffalo grass. If they have more, then they should be taxed. There should also be control of the development in the territory.

He said that people take away water from farmers, such as the Deweys and the Colliards, is almost like a criminal act. He asked what country shuts off their water to their farmers; he doesn't know of any but Arizona. All they need to do is look at the truth.

**ITEM NO 5. Presentation & Discussion– Active Management Area Cooperative Water Conservation Program**

[Shaun Rydell, City of Prescott]

Ms. Rydell, Water Conservation Coordinator for the City of Prescott, gave a PowerPoint presentation regarding a cooperative water conservation program in the Prescott AMA, Exhibit B attached hereto and made a part hereof.

Chairman Fann said that Mr. Holmes has lined up a couple of rain harvesting systems to be donated in Chino Valley so they can start showing that to everyone. Ms. Rydell said that the Water Conservation Committee with the City of Prescott is also bringing to the Rodeo Grounds a presentation on the 23<sup>rd</sup> of August for rainwater harvesting so they are all talking about it.

Chairman Fann said that every year the Yavapai County Contractors Association has the home show; maybe next year they could do a booth to show and promote a lot of these types of things. Ms. Rydell said that this year the City of Prescott was present at the show and they want to remind the public that their information was available to everyone.

Member Springer said that these are the types of things that are good for having input on, with projects they can do. They are all trying to work together. She noted that there is a project at Pioneer Park, in conjunction with ADEQ, for a stormwater management demonstration, so they can show people how they can retain water in this area.

She said that in looking at all of the water that runs off the parking lots or the roof, or driveway, it is their water until it gets to the creek or wash, and then it belongs primarily to Salt River Project. Anything they can do to show how to keep that water here will contribute tremendously to the recharge issue.

Member Simmons said that Councilman Blair just built a new house that has a retention system, and he indicated that his tank, which is over 1,000 gallon, is full.

**ITEM NO 6. Update – Progress on Request for Qualifications**  
[John Munderloh, Town of Prescott Valley]

Mr. Munderloh said that at the last meeting the Coalition moved to approve staff moving forward to publish a Request for Qualifications for a consultant. That has been published and they had a prebid qualification information meeting and it was also part of the notification of the meeting and the agenda. That meeting was held on the 17<sup>th</sup> of July and they had a number of interested consulting firms. They sent out between 25-30 packets and they are due tomorrow at 3:30 p.m. at the Prescott Valley City Clerk's Office. They look to have a recommendation to the Coalition at the next meeting.

**ITEM NO 7. Next Meeting Time / Location / Agenda Items**  
[Committee]

The next meeting would be held on August 22, 2007, at 2:00 p.m.

Agenda will include RFQ recommendation and the Coalition will get with the TAC members to see if they have any suggestions on Mr. Mechanic's recommendation.

The meeting of the Upper Verde River Watershed Protection Coalition held on June 27, 2007 adjourned at 3:52 p.m.

---

KAREN FANN, Chairman

ATTEST:

---

ELIZABETH A. BURKE, Clerk