WATER COMMITTEE
Tuesday, May 17, 2022, 9:30 AM

SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85281

This SRP District Committee meeting will be held in the Board Committee Room with an option to attend in-person or observe via Zoom. The public may receive the teleconference meeting access information by contacting the Corporate Secretary’s Office at (602) 236-4398. Supplemental materials will be posted on the SRP website.

Committee Members: Mario Herrera, Chairman; Kevin Johnson, Vice Chairman; and Robert Arnett, Nick Brown, Stephen Williams, and Keith Woods

Call to Order
Roll Call

1. **CONSENT AGENDA:** The following agenda item(s) will be considered as a group by the Committee and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Committee Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item .......................................................... CHAIRMAN MARIO HERRERA

   • Request for approval of the minutes for the meeting of April 19, 2022

2. **Arizona Water Authority** .......................................................... CHUCK PODOLAK and MOLLY GREENE

   Informational presentation regarding proposed legislation to form an Arizona Water Authority.

3. **Report on Current Events by the General Manager and Chief Executive Officer or Designees** .......................................................... DAVE ROBERTS

4. **Future Agenda Topics** .......................................................... CHAIRMAN MARIO HERRERA

The Committee may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Committee on any of the matters listed on the agenda.

The Committee may go into Closed Session, pursuant to A.R.S. §30-808, for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: All property in your possession, including purses, briefcases, packages or containers, will be subject to inspection.

THE NEXT WATER COMMITTEE MEETING IS SCHEDULED FOR TUESDAY, JUNE 21, 2022

05/10/2022
A meeting of the Water Committee of the Salt River Project Agricultural Improvement and Power District (the District) convened at 9:30 a.m. on Tuesday, April 19, 2022, in-person and via teleconference from the Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines. The District and Salt River Valley Water Users’ Association (the Association) are collectively known as SRP.

Committee Members present at roll call were M.J. Herrera, Chairman; K.J. Johnson, Vice Chairman; R.C. Arnett, N.R. Brown, V.M. Flores, S.H. Williams, and K.B. Woods; and L.D. Rovey of the Association.


In compliance with A.R.S. §38-431.02, Andrew Davis of the Corporate Secretary’s Office had posted a notice and agenda of the Water Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, April 15, 2022.

Chairman M.J. Herrera called the meeting to order.

Consent Agenda

Chairman M.J. Herrera requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member R.C. Arnett and seconded by Board Member K.B. Woods, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Water Committee meeting on March 22, 2022, as presented
Corporate Secretary J.M. Felty polled the Committee Members on Board Member R.C Arnett’s motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

**YES:** Board Members M.J. Herrera, Chairman; K.J. Johnson, Vice Chairman; and R.C. Arnett, N.R. Brown, V.M. Flores, S.H. Williams, and K.B. Woods (7)

**NO:** None (0)

**ABSTAINED:** None (0)

**ABSENT:** None (0)

**Executive Session: Hualapai Tribe’s Water Rights Claims**

Chairman M.J. Herrera requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to have discussion and consultation with attorneys for legal advice regarding the status of negotiations and other efforts to resolve water rights claims of the Hualapai Tribe prior to commencing legal proceedings to adjudicate the Tribe’s rights to water in Arizona.

On a motion duly made by Board Member K.B. Woods, seconded by Board Member R.C. Arnett and carried, the Water Committee convened into executive session at 9:33 a.m.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member K.B. Woods’ motion to enter into executive session. The vote was recorded as follows:

**YES:** Board Members M.J. Herrera, Chairman; K.J. Johnson, Vice Chairman; and R.C. Arnett, N.R. Brown, V.M. Flores, S.H. Williams, and K.B. Woods (7)

**NO:** None (0)

**ABSTAINED:** None (0)

**ABSENT:** None (0)

Executive Session: Tonto Apache Tribe’s Water Rights Claims

Chairman M.J. Herrera requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to have discussion and consultation with attorneys for legal advice regarding the status of negotiations and other efforts to resolve water rights claims of the Tonto Apache Tribe prior to commencing legal proceedings to adjudicate the Tribe’s rights to water in Arizona.

On a motion duly made by Board Member R.C. Arnett, seconded by Board Member S.H. Williams and carried, the Water Committee convened into executive session at 9:49 a.m.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member R.C. Arnett’s motion to enter into executive session. The vote was recorded as follows:

YES: Board Members M.J. Herrera, Chairman; K.J. Johnson, Vice Chairman; and R.C. Arnett, N.R. Brown, V.M. Flores, S.H. Williams, and K.B. Woods

NO: None

ABSTAINED: None

ABSENT: None


Report on Current Events by the General Manager and Chief Executive Officer or Designees

Mike Hummel, SRP General Manager and Chief Executive Officer, reported on a variety of federal, state, and local topics of interest to the Committee.

Future Agenda Topics

Chairman M.J. Herrera asked the Committee if there were any future agenda topics. None were requested.
There being no further business to come before the Water Committee, the meeting adjourned at 10:12 a.m.

John M. Felty
Corporate Secretary
Background

2019
- Governor’s Water Augmentation Innovation and Conservation Council (GWAICCC) formed

2021
- Governor and Legislature create the Drought Mitigation Board and Fund
- $200M for augmentation and rural water supply projects

2022
- January: Governor Ducey’s 2022 State of the State address announces $1 billion investment related to desalination
- February: Stakeholder outreach and conversations
- March: Arizona Water Authority language released – written comments (including SRP) received
- April: Revised language and small groups
What is the Arizona Water Authority?

New state entity charged with "helping to meet the existing and future water needs of the state"

- Focus on importing water
- Tools:
  - Ownership – infrastructure / water
  - Financial assistance
Governance

• Arizona Water Authority Board Appointment
  Recommendation Committee
    o 13 members including SRP

• 10-member board
  o Directors of ADWR, ADEQ, ADOA as non-voting members
  o 7 appointed by Governor w/ provisions for partisan and geographic diversity

• Joint Legislative Committee on Water
  o Oversight (but not veto) for expenditures over $50 million
Financial

• Administers two funds
  o Long-term Water Augmentation Fund
    • “larger” - focused primarily on importing water from out of state
  o Rural Water Supply Development Fund
    • “smaller” – loans and grants outside Maricopa-Pinal-Pima county area
• Expected to be ~$1 billion for FY 2022-2023
Powers and Authorities

**Arizona Water Authority may:**

- Engage in public-private partnerships
- Issue revenue bonds
- Acquire water for agriculture, municipal growth, industrial use, or underground storage
- Only operate under existing Arizona law

**Arizona Water Authority may not:**

- Tax
- Acquire assets by eminent domain*
- Transfer water away from the Colorado River
- Own or hold in-state water rights?
Stakeholder Feedback

- Process / Stakeholder Involvement
- Communicating the need for AWA
- Mission Statement/Strategic View
- Scope of Board authorities
- Fiscal sustainability
- Governance
- Accountability and Transparency
Next Steps

- Stakeholder engagement
- Legislative process
- Outlook?
thank you!