This is a transcript from the February 2, 2021 Regular Meeting for the City of Scottsdale for Item #13 – Rio Verde Foothills Domestic Water Improvement District. The purpose for this item was for the petitioners to receive consent, as required by statute from any town/city within 6miles of a noncontiguous District, to move forward with the petition process.

We felt it was very important to share the information from this meeting with the Rio Verde Foothills residents to clarify misinformation and emphasize when Scottsdale may stop water hauling outside the City of Scottsdale.

RVF Water Resources Inc.

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FEBRUARY 2, 2021 REGULAR MEETING

CLOSED CAPTION TRANSCRIPT

City Clerk Carolyn Jagger: Councilwoman Whitehead.

Councilwoman Whitehead: Yes.

City Clerk Carolyn Jagger: It passes unanimously.

Mayor Ortega: I will take note that we have a new city clerk by that action.

ITEM NO. 13 – **RIO VERDE FOOTHILLS DOMESTIC WATER IMPROVEMENT DISTRICT**

[Time: 00:10:51]

Mayor Ortega: Now we will move on to the regular agenda item. And we begin with a presentation of

item 13. So we may need a presentation by the staff. There we go. Thank you.

**Water Services Director Brian Biesemeyer:** Thank you, Mayor Ortega and city council. This is Brian

Biesemeyer, the executive director of Scottsdale water and I have a short PowerPoint presentation to

go with my short presentation, if I could ask staff to put that on the screen.

Digital Media Manager Brian Hancock: Brian, this is Brian. It is up can you see it?

Water Services Director Brian Biesemeyer: I cannot see it. But let me change my view here. There we

go. Thank you. So the proposed domestic water improvement district for Rio Verde Foothills. Next

slide, please.

***So background, Rio Verde Foothills is not in Scottsdale or in the Scottsdale water service area. It's***

***marked on the slide in front of you, as RVF. So it's to the east of Scottsdale. Many homes in this area***

***rely partially or completely on hauled water. Despite the lack of water, there's continued growth in the***

***area, and many of the same residents get their water from the Scottsdale filling station on Pima road***

***north of Jomax. Since 2016, Scottsdale water has been actively encouraging the Rio Verde Foothills***

***community to find a solution for their water. And putting out the point that the long-term water***

***solution for Rio Verde Foothills is not Scottsdale water. Next slide.***

***We're committed to ensuring our customers and residents have a secure, sustainable water supply for***

***the prosperity of Scottsdale. We try to be a good neighbor, but, again, we cannot be the indefinitely***

***long-term water supply for the Rio Verde Foothills or any area that's not Scottsdale. With the shortage***

***declaration on Carlisle (Colorado) river, we will be limited in our central Arizona project water and at that point, we will limit water hauling to only Scottsdale residents. Next slide.***

***So the Rio Verde Foothills, domestic water improvement district is members of the Rio Verde Foothills***

***community are seeking to form a domestic water improvement district to be able to secure their own***

***water future. Maricopa County supervisors approves that formation, however, state law requires that***

***municipalities within 6 miles of the proposed district do not oppose the formation. Staff recommends***

***approval of that resolution, and one more slide, I think is pertinent to the situation.***

***So I mentioned possible drought levels on the Colorado River, which are measured at lake Mead and***

***this is a rather confusing graph, but it's -- the lake Mead elevations an a particular notice as elevation***

***1075 because that's when tier one shortages would be declared on the -- on the river. So you can see***

***the blue line is in December 2020, and at that time, the Bureau of Reclamations projections for the***

***Colorado River are shown on the right part of the graph and you can see there's the -- there's three***

***projections, the top or dark blue is the most optimistic projection, meaning a wet winter. The orange or bottom line is the least optimistic projection and the green is the most probable. So if you track the***

***green line and you can see that in December, or January of 2022, is when the Bureau of Reclamation***

***makes its declaration of a shortage. They will actually make that declaration in August, based on their***

***projections for that point in time. Right now, the best forecasts are we will be in a tier one shortage in***

***2022. And really I use that as background.***

***It's very likely that in the year 2022, we will be in a tier one shortage and Scottsdale will experience a***

***cutback to our Colorado River allocation by between 2 to 3,000-acre feet of water. We'll still have***

***sufficient water for our residents but as a consequence of this, we will stop allowing water hauling to***

***anyone would who -- who is not in the city of Scottsdale.******And Mayor, that concludes my presentation.***

We also have representatives from the Rio Verde Foothills group that is trying to form this DWID should

council have questions of them and they are represented by Karen Nabity.

Mayor Ortega: Well, thank you. We have -- we have received eight requests for public comment on

tunnel 13. The Rio Verde Foothills domestic water improvement district. So we will hear -- we will

listen to the public comments first and then after that, we can turn to questions or comments from

council, ourselves before we entertain a motion. So at this point, we will -- I will open public comment

and I will turn it over to staff.

Management Associate Shane Stone: Thank you, Mayor and members of council. This is Shane.

We do -- Shane Stone, for the city manager. We have several of those other commentaries not call in

today, but we will -- we will continue with those that have called in, and the first of those is Jennifer

Simpson. Ms. Simpson, you should be able to hit star six to unmute and begin your public comment.

Ms. Simpson, should be able to hit star six to begin your public comment. And she did mention

before -- before the meeting today that she may not be able to speak and to continue without her if

that is the case, and so we will put her back on mute and move on to the next person. Mr. Miller.

Please hit star six and begin your comments.

[Time: 00:19:19]

John Hornewer: Hello, ladies and gentlemen, can you hear me?

Management Associate Shane Stone: Yes, we can thank you.

John Hornewer: My name is John Hornewer, and first I want to thank the city of Scottsdale for being an

absolutely incredible neighbor for the past 21 years that I have lived out here. I understand, as I have

been watching the drought conditions throughout the state and the southwest basin the United States,

that our situation is becoming critical. And it is imperative -- my first and main focus is to be able to

supply water to our community. And the city of Scottsdale has done everything they can thus far to

ensure that we have quality water supply, and I completely understand that when drought

contingencies are enacted, that we should have our own water source in effect. It is for that reason

that I fully support the DWID to secure an external source of water that in my understanding would be

processed through the city of Scottsdale, so that we can continue delivering water to our community,

because quite frankly, without you guys, even in the processing of our external water source, our

community would crumble. We would have thousands of homes literally left dry without your support.

So, again, I want to let you no he after -- know after 21 years of business in this community, I fully

support the DWID, I fully support the creation of DWID and I want to thank every member of the city of

Scottsdale council, the Mayor, Brian Biesemeyer, everybody else, that you guys have been absolutely

outstanding neighbors. We couldn't do this without you and your support in the formation of the DWID

would be greatly appreciated. Thank you.

Management Associate Shane Stone: Thank you. And with that, we'll move on to the next public

commenter, please hit star six and begin your public comment. Camilla, if you can hear me, you should

be able to hit star six and unmute yourself at this time. Okay. We will move on. We do have one more

commenter. Karen Nabity who is also the applicant but listed under public comment as well. You

should be able to hit star six and begin your public comment.

[Time: 00:22:13]

Karen Nabity: Hi. Can you hear me now?

Management Associate Shane Stone: Yes, I can. Thank you very much.

Karen Nabity: Hi. We just want to say that we -- I back what John says. We appreciate everything that

you guys have done for us over the last 20 years, and we understand the situation with lake Mead, and

really appreciate Brian nailed it with this presentation of what's coming -- of what we're expecting with

lake Mead and unfortunately those lines look worse and worse, getting to '24, '25 and the year '26. So

with that being said, we do need consent so we can secure our own source of water for our community.

But I also want to whisper to you guys, please keep this in mind that we are trying to move forward to

create a district to create a source of water.

If you consent and we get approval of the Board of Supervisors in March, we will go and start a contract

negotiations. It is possible that we will not get our first drop of water until 2024. We are securing an

outside source that will work with an I.G.A. agreement with the city of Scottsdale and have city of

Scottsdale process that water and we'll eventually have our own stand wipe out here. But, again, our

first drop of water may not be until 2024. So as you can see here, you guys will have the option to cut

off water hauling to over 700 homes in January 2022, and, again, we may not have our first drop of

water until 2024. So at that point, we will probably be asking you to consider still supplying us water

until we get our official supply of water. With that, I ask that you please consent to this so we can move

forward with our community. Thank you. Any questions?

Management Associate Shane Stone: Thank you. Mayor Ortega, and city council that does conclude

our public comments.

Mayor Ortega: Thank you very much. I will close the public comment and I will ask the city

councilmembers, one by one, if they have any additional comments or questions on this item 13. If you

have no comment, just say no comment. Let's begin with Vice Mayor Janik.

[Time: 00:24:52]

Vice Mayor Janik: Well, this is Vice Mayor Janik. I do have a comment and my comment would be that

it's advantageous that before we get to tier one water shortage, that the process begin. You certainly

don't want to be in an emergency situation, and it seems like it would be for a couple of years because

it takes so long to secure this type of an agreement. So I would highly recommend that we begin the

process now -- that you begin the process now so that you will eventually have an adequate water

supply. Thank you.

Mayor Ortega: Thank you. Councilwoman Caputi.

[Time: 00:25:11]

Councilwoman Caputi: Thank you. I just want to reiterate to everyone on the call that we are just

consenting that Rio Verde can move forward with this DWID and this is really the only way they have to

move forward with water because as Brian Biesemeyer pointed out, they really don't have any other

options. So again, we're just consenting.

The council got an awful lot of comments from Rio Verde begging us not to approve this particular

DWID and I just would -- my recommendations to the folks of Rio Verde is make sure your residents

understand. There seems to be a lot of misinformation out there. They need to understand what is at

stake here and what is happening. Again, the comments we got was please don't approve this and that

really wasn't the issue. We are trying to help and we are simply consenting that the residents can move

forward with having a water source. So that's my only comment. Thank you.

Mayor Ortega: Thank you. Councilmember Durham.

Councilmember Durham: I agree with what councilmember Janik said. It's important for the residents

to secure the water for themselves. In terms of misinformation, I think some of the comments that we

received from the people opposed to the district claimed that if the district is formed, Scottsdale is

immediately going to shut off their water supply. So I would like to ask Mr. Biesemeyer if he could

clarify that, whether that's the case or not.

Water Services Director Brian Biesemeyer: Mayor and Councilmember Durham, Brian Biesemeyer here.

No, that's not the case. Ultimately when there's a secure water supply for Rio Verde, there's no feed for

this. When Rio Verde Foothills gets their own supply, there's no need for us to continue to provide

water hauling, but the formation of the DWID is not the mark of when we would stop providing water.

Councilmember Durham: That's what I thought. I just wanted to be sure. Thank you.

Mayor Ortega: Thank you. Councilwoman Littlefield.

Councilwoman Littlefield: Yes, thank you, Mayor. The reason I have pulled was to make these points,

which my fellow councilmembers have already done. Done what we are doing is forming their ability to

form a district. We are not saying anything about the water district with this motion. I think frankly the

proposed water district formation is coming rather late to Rio Verde. I think it should have been done

earlier and I'm definitely in favor of allowing the vote of the Rio Verde citizens to form this district. I

think they need to.

The only thing that I was concerned about is that we work with them, however we can, to ensure that

they do have a water supply until their district is up and running. And I don't want to cut off people

from water. I'm too much of a native Arizonan to agree to that. So I do want to make sure that they

have the district forms and they can continue doing it. That's what we are voting on tonight, but my

opinion is that we don't leave them hanging. That would be my option. Thank you.

Mayor Ortega: Councilmember Milhaven.

Councilmember Milhaven: I have no additional comments, Mayor. Thank you.

Mayor Ortega: Councilwoman Whitehead.

Councilwoman Whitehead: I have no additional comments, thank you.

Mayor Ortega: I have no additional comments and with that, I would ask for a motion and a second

concerning item 13, Rio Verde Foothills domestic water improvement district.

Councilwoman Littlefield: Mayor, I move that we approve item 13, the Rio Verde water district

formation.

Councilwoman Caputi: Second. Councilwoman Caputi.

Mayor Ortega: We have a motion by Councilwoman Littlefield, and second by Councilwoman Caputi. I

will now ask to approve, excuse me, the item 13. I will now ask the city clerk to conduct the roll call

vote and announce the results.

City Clerk Carolyn Jagger: Thank you, Mayor. Mayor Ortega?

Mayor Ortega: Yes.

City Clerk Carolyn Jagger: Vice Mayor Janik.

Vice Mayor Janik: Yes.

City Clerk Carolyn Jagger: Councilwoman Caputi.

Councilwoman Caputi: Yes.

City Clerk Carolyn Jagger: Councilmember Durham.

Councilmember Durham: Yes.

City Clerk Carolyn Jagger: Councilwoman Littlefield.

Councilwoman Littlefield: Yes.

City Clerk Carolyn Jagger: Councilwoman Milhaven.

Councilmember Milhaven: Yes.

City Clerk Carolyn Jagger: And Councilwoman Whitehead.

Councilwoman Whitehead: Yes.

City Clerk Carolyn Jagger: The motion passes unanimously. Thank you.