



# AGENDA

**WATER ISSUES COMMITTEE  
NOTICE OF PUBLIC MEETING  
Tuesday June 14, 2016  
9:30 AM**

**Prescott City Hall  
Lower Level Conference Room  
201 South Cortez St., Prescott, Arizona  
(928) 777-1100**

The following Agenda will be considered by the Council Water Issues Committee at its meeting on **Tuesday, June 14, 2016, at 9:30 a.m.** in the Lower Level Conference Room, 201 South Cortez Street, Prescott, Arizona. One or more members of the Council may be attending this meeting through the use of a technological device.

- A. Call to Order.
- B. Roll Call.

**COUNCIL WATER ISSUES COMMITTEE MEMBERS:**

Chairman Jim Lamerson  
Member Steve Blair  
Member Steve Sischka

- C. Approval of minutes of the May 10, 2016, Water Issues Committee meeting
- D. Alternative Water Portfolio Update
- E. Water Service Agreement Applications
  - 1. WSA 16-005 F.L. Brown Enterprises, LLC
  - 2. WSA 16-006 Moeller Properties
  - 3. WSA 16-007 Deep Well Ranches Estates
  - 4. WSA 16-008 Prescott Lake Villas
- F. Upper Verde River Watershed Protection Coalition Dues
- G. EZ Street Water Station
- H. Adjournment

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on June 17, 2016  
at 11:30 Am. in accordance with the statement filed by the Prescott City Council with the City Clerk.

  
Dana R. DeLong, City Clerk

COUNCIL WATER ISSUES  
COMMITTEE  
REGULAR MEETING  
TUESDAY, MAY 10, 2016  
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR MEETING OF THE COUNCIL WATER ISSUES COMMITTEE HELD ON MAY 10, 2016, in the LOWER LEVEL CONFERENCE ROOM, located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

A. Call to Order

Chairman Lamerson called the meeting to order at 9:00 a.m.

B. Roll Call

COUNCIL WATER ISSUES COMMITTEE MEMBERS:

Present:

Chairman Jim Lamerson  
Member Steve Blair, arrived at 9:07 a.m.  
Member Steve Sischka

Staff Present:

Craig McConnell, City Manager  
Leslie Graser, Water Resources Manager  
Clyde Halstead, Assistant City Attorney  
Dana DeLong, City Clerk  
Craig Dotseth, Utilities Manager  
Jon Paladini, City Attorney, arrived at 10:02 am

C. Approval of minutes of the April 12, 2016, Water Issues Committee Meeting

**MEMBER SISCHKA MOVED TO APPROVE THE MINUTES AS WRITTEN;  
SECONDED BY CHAIRMAN LAMERSON; PASSED 2-0.**

D. Alternative Water Portfolio Update

Leslie Graser, Water Resources Manager, presented. She said the Alternative Water Portfolio update was a standing item for the committee. She presented a recap of the process the City went through when the suspension was put into effect, and on May 3<sup>rd</sup> the policy was adopted by the Council. She said nothing in the general pool had changed, as there had not been any issuance of water supplies. Next meeting the numbers would start to change.

#### E. Prescott Lakes Effluent Sales Contract

Leslie Graser, Water Resources Manager, presented. She said Prescott Lakes was now called The Club at Prescott Lakes and the golf course received effluent supplies from the City. The agreement had been in place since 1996, and was due for renewal. She said there was a three month extension of the agreement in order to work out policy issues.

Ms. Graser presented the agreement from The Club with changes that included: a reduction in the renewal term to 10 years, with the continued option to renew for a total additional term not to exceed 40 years; modification of the monthly allocation to allow for more effluent in the summer season and less in the winter, but no change in the overall volume of 500 AF/year, effective January 1, 2017; and the adjustment of base pricing to \$354.35 per acre-foot, plus a \$50.00 surcharge on the base pricing for use beyond the monthly allocation.

Member Blair arrived at 9:07 a.m.

**MEMBER SISCHKA MOVED TO APPROVE AND FORWARD THE AMENDED AND RESTATED EFFLUENT SALE AGREEMENT, CITY CONTRACT NO. 2002-208A1 TO THE COUNCIL; SECONDED BY MEMBER BLAIR; PASSED UNANIMOUSLY**

#### F. Water Service Agreements

1. Embry-Riddle Aeronautical University (Resolution No. 4310-1519, Exhibit A project)

Leslie Graser, Water Resources Manager, presented. She said Embry-Riddle started customer service in 1976 and was annexed in 1997. The application identified a residence hall containing 66 student housing suites, and a seven-year campus development plan. They were looking for a water service agreement that would set aside 55 AF for a certain amount of time, with certain performance criteria.

Member Sischka said it was not just the one residence hall, but was seven years of development for 55 AF. Ms. Graser said that was correct.

Ms. Graser presented the contract, which showed the performance criteria and spoke to how much water would be designated. She said they had buildings already under construction, with building permits in place. The remaining 38.5 acre-feet would be reserved for a period of five years. She noted they were also seeking water supply for the ball fields, and would be moving toward artificial turf.

Chairman Lamerson said they were part of economic development in the City and he did not have a problem with the request.

**MEMBER BLAIR MOVED TO RECOMMEND APPROVAL AND FORWARD WATER SERVICE AGREEMENT NO. 14-009 (CITY CONTRACT 2016-292) TO THE COUNCIL; SECONDED BY MEMBER SISCHKA; PASSED UNANIMOUSLY**

2. Walden Ranch (Resolution No. 4310-1519, Exhibit A project)

Leslie Graser, Water Resources Manager, presented. The project master plan consisted of 286 single family dwelling units, requiring a total water volume of 100.1 acre-feet of water. She said the project was well on its way when the temporary suspension went into effect, and that it was a sub-division project with multiple phases. She presented the preliminary plat.

Member Sischka asked if it was 100 acre-feet based on the .35 for residential. Ms. Graser replied, yes.

Ms. Graser said they had on-going conversations to work out the performance criteria, and were looking at a percent build. Item A was language that was taken out of the current policy. She talked about the one-time extension, and getting from a preliminary plat to a final plat position. Ms. Graser went over the points of the performance criteria. She said this was for discussion and had been briefly reviewed by the applicant and by the City Attorney. She said the project included a development agreement, and within the development agreement was the water service agreement and performance criteria.

Member Blair said his question would be for the round-about and the performance payment from Walden Ranch. Craig McConnell, City Manager, said that issue was addressed in the development agreement.

Member Sischka said it seemed like the .35 was an overall estimate that the City used for the ancillary services that go along with the house. He thought that they would be pretty water conscious in the area. He said if .35 was allocated and it ended up being .25 he thought that would short the City for future development because of the .35. He thought they might want to get a little more realistic on the number.

Ms. Graser thought that could be addressed in the forthcoming policy. She said part of the discussion was Part Two of the upcoming policy. She said initial work had been done on the .35, but it needed more discussion. She said changing on the spot for one development was not good, but it was a good conversation to have.

Member Sischka asked if the contract went forward with 100 acre feet, and later they used less did that change the situation. Mr. McConnell said they had looked at the .1 mark-up. He said it was a good thing that they had the mark up, because the analysis had not indicated a significant amount of water corresponding to that markup.

A discussion was held regarding the .1 markup.

Chairman Lamerson asked about the 100 acre-feet and if that was alternative water that had not been accounted for. Ms. Graser said the City had always maintained a market pool, and at this point it was called the general pool. The 100 acre-feet was coming out of the market portion.

Chairman Lamerson allowed comments from the public in attendance.

Member Blair said he had a conversation with the Walden Ranch people concerning conservation efforts and rain water harvesting. He said they assured him they would look at those issues. He asked if the conservation happened would they be able to reduce that .35 amount. Ms. Graser thought they would be looking at that in the coming year. She said in terms of building, the City already adopted the international plumbing code which required water saving devices in the home. The City would be looking at conservation and how far they could go.

Member Sischka said his earlier question was that if there was a block of water that was achieved because it had been conserved, could the state come in and take it away. Mr. McConnell thought they could not take it away.

**MEMBER SISCHKA MOVED TO FORWARD THE DRAFT WATER SERVICE AGREEMENT TO THE CITY COUNCIL FOR CONSIDERATION; SECONDED BY MEMBER BLAIR; PASSED UNANIMOUSLY.**

#### G. EZ Street Water Station

Leslie Graser, Water Resources Manager, presented. She said this was one of the Part Two items from the temporary suspension. She said the City had a water station that was available to the public for purchase of potable water. She noted a correction in the memo, stating it should say \$.25 per 100 gallons.

Ms. Graser said the facility was generally under 20 acre-feet per year. The City conducted a water and wastewater rate study in 2014 and the report identified that the City maintained a coin operated station that provided water based on a per thousand volume charge basis.

Member Blair asked if the rate was \$2.50 per 1000 gallon at the water station, how much were the customers in the City paying. Ms. Graser talked about the cost comparison. She said a residential customer paid a base of \$14.15, but it was based on meter size which caused a lot of fluctuation among the rate. A metered customer had a charge based on how much they used, and outside the City limits had a percent increase based on the rate.

Member Sischka asked who was using the EZ street water station. Ms. Graser said there were some neighborhoods or sub-divisions that neighbor the City that were not

within City limits, who generally relied on wells. She said water hauling companies also came in and filled trucks.

Member Blair said there was a difference because there was not an infrastructure for the delivery system, which contributed to the difference in price from water delivered to residential houses. Ms. Graser said they were trying to note the relevant factors. She recommended that they look at the base fee and if some component of that needed to be reflected in the cost for the water at the station.

Member Blair thought they had to have a true cost of delivery and asked if there was a number of what the actual raw cost was. Mr. McConnell said, yes that it was in the rate study. His thought was that the water station user was paying less than half of what the City residents and customers were paying.

Mr. McConnell said from a policy standpoint there were two questions. The first question was whether or not EZ street water station should stay in operation. The second question was if it did stay then what would the water rate be

Member Sischka said in looking at the amount of water that was being used at the water station it was a substantial amount of water. He said they were setting rates in the City to encourage water conservation, and wondered how someone paying half or what the rest of the people were paying went along with the policy. Mr. McConnell said the City customers were subsidizing water that was purchased through the water station.

Member Blair asked what would preclude someone from putting in a commercial well. Mr. Halstead said state law would prevent someone from putting in a commercial well, and a residential well would not be allowed to sell water.

Ms. Graser said in trying to make the rate comparable to what a metered customer would pay, they would be looking at a change of \$1.50 per 100 gallons at the water station. That would be about a six-fold increase at the station. She thought that would be a policy discussion.

Member Blair asked liability wise, and how much maintenance went to the water station.

Craig Dotseth, Utilities Manager talked about the maintenance. He said there was some maintenance, but not a lot.

A discussion was held on the liability issues.

Jon Paladini, City Attorney, arrived at 10:02 a.m.

Ms. Graser said she would do more work on developing the policy issues that would take into consideration no water station, a six-fold increase, or something in between.

Chairman Lamerson said he did not know why it was the responsibility of the City or the rate payers to subsidize people that did not have water at their house. He wanted to see a rate that was comparable to the cost for the rate payers in the City.

Member Sischka agreed since none of that water was able to be recharged through the City's recharge system.

Ms. Graser said she would work up a range, look at the options, and bring back a better customer base.

Member Sischka asked if independent water companies obtained their water from wells. Ms. Graser said yes, and they had to report that to the Arizona Corporation Commission. Member Sischka said he would hate to get into the regulation business, and thought they could regulate through the price of the water.

Member Blair talked about two tiers, commercial uses as opposed to residential. Ms. Graser said they would have to look at the infrastructure, currently the station is set on a timer to deliver a certain amount of water for a certain cost. She said they would have to consider if there would be tiered rates.

Chairman Lamerson said they had gotten to the point where they knew the rate was wrong, and thought at the next meeting he would like to see something different than what was presented today. He thought a proposal to look at something more consistent with what they were charging customers living in the city. Ms. Graser said they would work up multiple examples.

Chairman Lamerson said he was not suggesting they deny water to someone, but he did not think that they should charge the citizens of Prescott six times more than what others were paying.

#### H. Adjournment

There being no further business to be discussed, the Council Water Issues Committee adjourned the Public Meeting of May 10, 2016, at 10:16 a.m. and reconvened into Executive Session.

\_\_\_\_\_  
JIM LAMERSON, Chairman

ATTEST:

\_\_\_\_\_  
DANA R. DELONG, City Clerk

## COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO

June 14, 2016

**DEPARTMENT:** City Manager (Water Resource Management)

**AGENDA ITEM:** Alternative Water Portfolio Update

**Approved By:**

**Date:**

**Water Resource Manager:** Leslie Graser

**City Manager:** Craig McConnell

### Summary

The balances in certain alternative water categories as of June 8, 2016.

- The alternative water General Pool quantity available is 423.15 acre-feet (AF).  
(The starting balance was 479 AF, three Exhibit A projects were approved totaling 55.85 AF they are ERAU at 55.0 AF, Moody at 0.35 AF, Schnitzius at 0.35 AF, and Moeller Properties at 0.15 AF)
- The alternative water reservation for vacant, residentially-zoned tracts within the City limits is 432 AF.
- The alternative water prospectively available from the Big Chino Water Ranch is 3,264.50 AF.

<b>Table 1: General Pool Balance = 479 AF</b>		
<b>Set Asides</b>	<u>Volume approved in Water Service Agreement (WSA)</u>	<u>Volume remaining in set asides</u>
Contractual Obligation (100 AF)	0.0	100.0
Institutional Development (55 AF)	55.0	0.0
Subtotal		100.0

**Table 2: Remaining General Pool Balance (after set asides are deducted) = 324 AF**

Category	Exhibit A Projects			New Projects				
	<u>Budgeted Volumes</u>	<u>Volume held for Exhibit A</u>	<u>Exhibit A Volume Approved</u>	<u>Volume Remaining for Exhibit A</u>	<u>Volume Remaining for new WSA</u>	<u>Volume requested in new WSA</u>	<u>Volume Approved in new WSA</u>	<u>Volume Remaining for new WSA</u>
Market	125.0	101.5	0.7	100.8	23.50	0.00	0	23.50
Workforce/ MF/Apt/ Duplex	100.0	41.0	0	41.0	59.00	132.40	0.15	58.85
Commercial	99.0	0	0	0	99.00	0	0	99.0
Subtotals				141.8				181.35

Total of Tables 1 and 2

423.15

**Agenda Item:** Alternative Water Portfolio Update

**Committee Recommendation to Council:** Update; no action required

**COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO****June 14, 2016****DEPARTMENT:** City Manager (Water Resource Management)**AGENDA ITEM:** Water Service Agreement Application No. 16-005 by F.L. Brown Enterprises, LLC, for the construction of thirteen (13) multi-family units on APN 106-18-071 at 1989 Willow Lake Road**Approved By:****Date:****Water Resource Manager:** Leslie Graser**City Manager:** Craig McConnell**Background**

Resolution No. 4328-1537, adopted May 3, 2016, "Alternative Water Allocation Policy for Calendar Year 2016", identifies a supply for possible allocation to new projects not listed in Exhibit A thereto.

**Summary**

This project is for thirteen (13) multi-family units; the water requirement is 3.25 acre-feet (AF) (13 units x 0.25 AF/unit). This property is currently serviced by a well. Per Arizona Department of Water Resources Decision and Order No. 86-401501.0001 (the "D&O"), Attachment A.3.b.vi.:

"If any residential groundwater users, including residential groundwater uses served by any exempt well, in existence on August 21, 1998, have been replaced by permanent water service from the applicant after August 21, 1998, multiply one-half acre-foot of groundwater by the number of housing units receiving the service and then multiply that product by 100"

Therefore, if a property was served by a well in 1998 and a connection to City water service replaces the well use, the City can apply for a groundwater allocation increase of 0.5 AF/residence. The 0.5 AF credit will be applied to the property to cover water allocation needs and the allocation will be considered committed demand.

In order to maintain consistency with the D&O and among projects, Water Resources reviews the number of residential units served by a well in 2007 because it is the most recent date ADWR reviewed City water use in the Application to Modify the D&O. According to aerial photography, in 2007 the property had one (1) residential unit served by the well; therefore, this property is eligible for a total of one-half (0.5) acre-feet of credited committed groundwater.

The total requirement of 3.25 AF would be met by a combination of 0.5 AF of groundwater and 2.75 AF of alternative water category for workforce/multi-family/apartments/duplex.

**Agenda Item:** Water Service Agreement Application No. 16-005 by F.L. Brown Enterprises, LLC, for the construction of thirteen (13) multi-family units on APN 106-18-071 at 1989 Willow Lake Road

## **Status of Project**

### Completed

- Pre-Application Conference held April 4, 2016
- Site Plan and Water Service Agreement Application, May 5, 2016
- Site Plan, Round 1 comments, May 25, 2016

### Remains to be completed

- Site plan approval
- Planning Commission approval (to be scheduled upon site plan approval)
- Water Issues Committee approval (WSA to be drafted upon site plan approval)
- City Council approval of WSA

## **Attachments**

- 1) Location Map
- 2) Site Plan and Water Service Agreement Application

**Committee Recommendation to Council:** At this meeting, for Committee discussion only

Parcel Report for APN: 106-18-071

Site Address: 1989 UNIT 101 WILLOW LAKE RD  
1989 UNIT 102 WILLOW LAKE RD

Owner:  
F L BROWN ENTERPRISES LLC  
PO BOX 12288  
PRESCOTT AZ 86304

Subdivision Name:

Max. Lot Coverage: -  
Max. Bldg Height: -  
Setbacks:  
Front: -  
Side: -  
Rear: -  
Corner: -

Acres: 1.0 acres  
Square Ft: sq.ft.  
TRS: T14 R2 S14

DOR Usage Code: Residential  
Description: 0130-SFR-AVERAGE/AVERAGE PLUS

**Zoning Information**

Zoning: IT (PAD)

Flood Zone: X;  
FIRM Panel: 04025C2060G

**Overlay District Information**

HPD District: Outside  
NR District: Outside  
Willow Creek District: Outside  
Whipple-Zuma District: Outside  
Hwy. 69 District: Outside  
Prescott East Area Plan: Outside  
Prescott Enterprise: Outside  
Airport Noise District: Outside  
Wildlife Urban Interface: Outside

**Planner's Actions:**

RZ-04-005: Rezones

CU-8908: Conditional Use Permits

NONE

DA-04-157: Development Agreements

prescott lakes amended

DA-02-208: Development Agreements

prescott lakes effluent agreement

DA-02-088A: Development Agreements

prescott lakes

DA-02-207: Development Agreements

prescott lakes

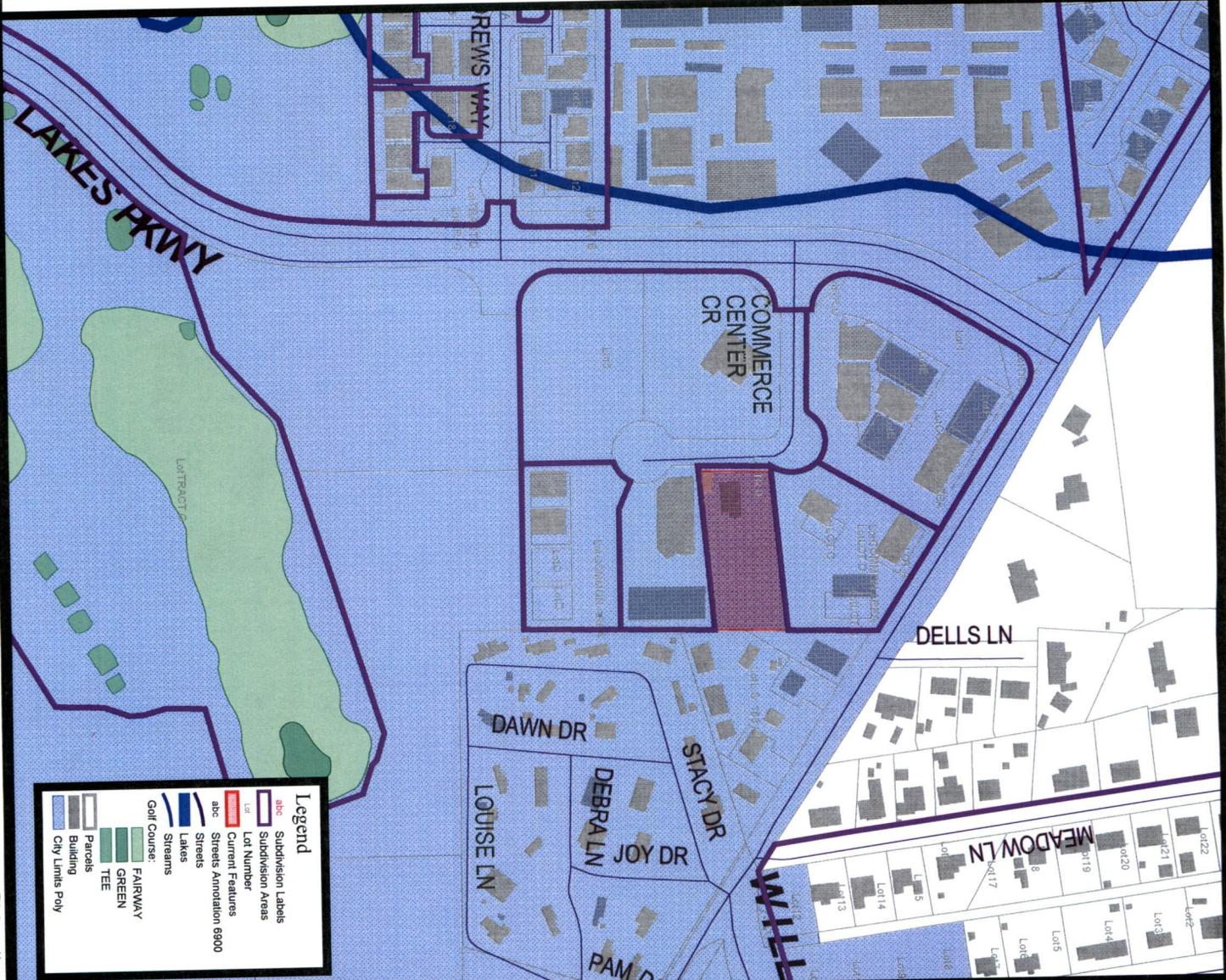
DA-06-012A: Development Agreements

prescott lakes

DA-96-012: Development Agreements

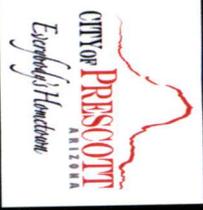
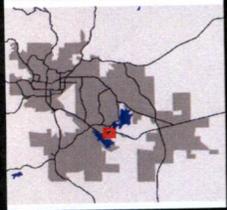
Res 2854

DA-94-034: Development Agreements



**Legend**

- abc Subdivision Labels
- Lot Number
- abc Current Features
- Streets Annotation 6900
- Lakes
- Streams
- Golf Course: FAIRWAY, GREEN, TEE
- Parcels
- Building
- City Limits Poly



1989 UNIT 102 WILLOW LAKE RD



This map is a product of The City of Prescott

This document is a graphic representation only of best available sources. The City of Prescott assumes no responsibility for any errors.

Item E.1 Attachment 1



CITY OF PRESCOTT  
COMMUNITY DEVELOPMENT DEPARTMENT  
201 S. Cortez, Prescott, AZ 86301 (928) 777-1205

### SITE PLAN APPLICATION

(Staff Use Only)

SI# 16-003 Zoning: \_\_\_\_\_ Township \_\_\_\_\_ Section \_\_\_\_\_ Range \_\_\_\_\_

Taken in By: \_\_\_\_\_ Assigned To: \_\_\_\_\_ Receipt #: \_\_\_\_\_ Date Application Complete: \_\_\_\_\_

Property Address: 1989 Willow Lake Rd Prescott Arizona 86304

Assessor's Parcel Number (s)(APN): 106-18-071 And 106-13-225P

Total Acres: (if less than 1/2 acre provide square feet if known) 1 Acre Total Lots: \_\_\_\_\_

Owner Name: FLORIAN ENTERPRISES / FRED L. RUSS Phone: 928-712-1106

Address: 1100 N. Cortez Fax: N/A

Prescott, Arizona Email: houserelocatemethod@net  
86304

Applicant/Agent Name: (If different than property owner, Agent letter must accompany submittal):

SAME

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

\_\_\_\_\_ Fax: \_\_\_\_\_

\_\_\_\_\_ E-mail: \_\_\_\_\_

Description of Request: 13 UNIT APD COMPLEX. PLUS STORAGE UNITS

SEE ATTACHED DESCRIPTION

(If necessary: Attach additional sheet (s) to provided a detailed Description of Request)

[Signature]  
Applicant/Agent Signature

5/5/16  
Date

## **Kenneth Mohn Architect**

3915 West Roadrunner Drive  
Chino Valley, Arizona 86323  
Office/Cel: 928-710-5530  
mohnarch@cableone.net

May 27, 2016

Fred Brown  
P.O. Box 12288  
Prescott, Arizona 86304

City of Prescott  
201 South Cortez Street  
Prescott, Arizona 86303

Cat Moody, Sergio Rivera, Ian Mattingly, Bret Flippo, Marc DuBroy, Mike Carr, Dave Mecca, Frank Hall, Annikki Chamberlain, Bruce Canavan.

Regarding: 1989 Willow Lake Road, APN 106-18-071, Project # S116-003

The submitted plans are for the Water Allocation Process as a feasibility plan not construction documents. The layout of the existing and future buildings, parking, easements, utilities, property dimensions are to show the layout of the site. Once water use is allocated to the site, Civil, Architectural, Structural, Mechanical, Plumbing, and Electrical drawings will be provided as required.

Attached is a copy of the plan submitted for your review.

As this plan is not for construction, what would you need to have on the plan for the city to review for the water allocation process

Sincerely,  
Ken Mohn, Architect



# WATER SERVICE AGREEMENT APPLICATION

Water Resource Management Division  
201 S. Cortez St., Prescott, AZ 86303  
(P) 928.777.1645 (F) 928.777.1255

WSA16-005

Please complete the form and submit a legible legal description on a separate sheet of paper as well as a site plan of the subject property with proposed improvements. Submit all documents and the filing fee directly to the Community Development Department at 201 S. Cortez St, Prescott, AZ 86302.

### APPLICANT INFORMATION

Applicant: K.L. Brown Etc. LLC Contact Person: SAME  
Address: P.O. Box 127, Ft. Prescott AZ City/State/Zip: 86304  
Phone: 928-770-2106 Email: \_\_\_\_\_

Property Owner: SAME Contact Person: \_\_\_\_\_  
Address: \_\_\_\_\_ City/State/Zip: SAME  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

### PROJECT SITE

Address: 1989 W. 2nd Ave, Prescott, AZ 86301  
Current Zoning: LT-1 Proposed Zoning: SAME  
Assessor's Parcel Number(s) of Existing Property: 100-16-071 106-13-0251

Existing Water Service (Y/N): NO Existing Sewer Service (Y/N): NO  
Existing Well (Y/N): YES If Yes, Well Registry No.: 7

### PROJECT DESCRIPTION

Is the project Residential or Commercial? RESIDENTIAL - 13 WIND UNITS, 1 OFFICE  
Please provide brief description: DN EXISTING (IT) ZONING

# of Proposed Units: 13 # of Proposed Lots: 1

Has a Water Demand Analysis been completed (commercial)? NO  
Has a building permit application been submitted? NO  
Has a Planning and Zoning Recommendation been made? NO

### FEES: subject to fees in effect at that time of application submittal

- |                                   |                         |   |  |
|-----------------------------------|-------------------------|---|--|
| <input type="checkbox"/> \$ 50.00 | Single Family Residence | <input checked="" type="checkbox"/> \$ 200.00 | Multi-Family Residence, Mobile Home Park |
| <input type="checkbox"/> \$200.00 | Residential Subdivision | <input type="checkbox"/> \$ 200.00            | Commercial Subdivision                   |
| <input type="checkbox"/> \$ TBD   | Commercial Project      | <input type="checkbox"/> \$ TBD               | Change of Use                            |

Applicant Signature: [Signature] Date: 6/5/2010

### OFFICE USE ONLY

DATE: \_\_\_\_\_ PERMIT #: WSA16-\_\_\_\_\_ FEE PAID: \_\_\_\_\_ Trak It: \_\_\_\_\_ Legal Attached: \_\_\_\_\_

**COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO**  
**June 14, 2016**

**DEPARTMENT:** City Manager (Water Resource Management)

**AGENDA ITEM:** Water Service Agreement Application No. 16-006 by Moeller Properties, for two (2) manufactured homes on APN 113-03-058 at 509 First St.

**Approved By:**

**Date:**

<b>Water Resource Manager:</b> Leslie Graser	
<b>City Manager:</b> Craig McConnell	

### Background

Resolution No. 4328-1537, adopted May 3, 2016, "Alternative Water Allocation Policy for Calendar Year 2016", identifies a supply for possible allocation to new projects not listed in Exhibit A thereto.

### Summary

A water service agreement application (WSA 16-006) was filed for two (2) manufactured homes. The water requirement for this use is 0.5 acre-feet (AF) (2 units x 0.25 AF/unit). This is a property within the Dameron Park Addition and carries 0.35 AF of groundwater allocation. The zoning allows two units on the property. The total requirement of 0.5 AF would be met by a combination of 0.35 AF of groundwater and 0.15 AF of alternative water. In accordance with Section 1A of the Policy, "the City Manager may direct any requests for alternative water to the City Council for approval. Residential requests of less than 4 dwelling units may be approved by the City Manager administratively; 4 or more units will require Council approval."

### Status of Project

#### Completed

- Water Service Agreement application, May 11, 2016
- Water Service Agreement pending signatures as of May 26, 2016

### Attachment

1. Location map

**Committee Recommendation to Council:** for Committee information and discussion only. This request is anticipated to be approved administratively.

Parcel Report for APN: 113-03-058

Site Address: 507 1ST ST  
509 1ST ST

Owner:  
MOELLER PROPERTIES LLC  
386 RIM TRL  
PRESCOTT AZ 863034375

Subdivision Name: DAMERON PARK ADDITION

Max. Lot Coverage: -  
Max. Bldg Height: -  
Setbacks

Front: -  
Side: -  
Rear: -  
Corner: -

Acres: 0.2 acres  
Square Ft. sq.ft. T14 R2 S33

DOR Usage Code: Vacant  
Description: 0011-VACANT RESIDENTIAL

**Zoning Information**

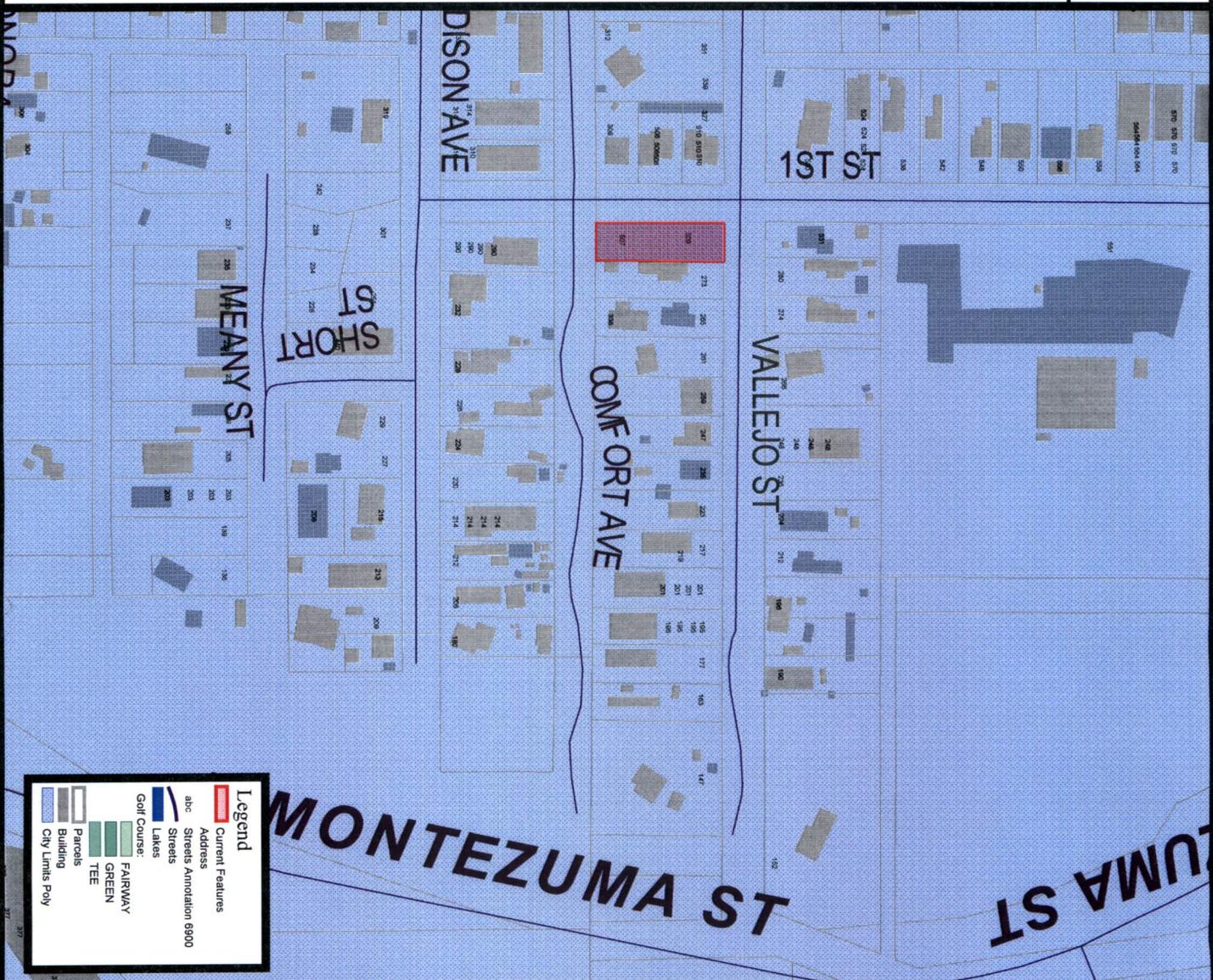
Zoning: MF-M (MH)

Flood Zone: X;  
FIRM Panel: 04025C2061G

**Overlay District Information**

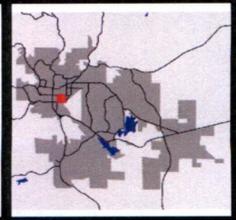
HPD District:	Outside
NR District:	Outside
Willow Creek District:	Outside
Wipile-Zuma District:	Outside
Hwy 69 District:	Outside
Prescott East Area Plan:	Outside
Prescott Enterprise:	Inside
Airport Noise District:	Outside
Wildlife Urban Interface:	Outside

**Planner's Actions:**



**Legend**

- Current Features
- Address
- Streets Annotation 6800
- Streets
- Lakes
- Golf Course
- FAIRMAY
- GREEN
- TEE
- Parcels
- Building
- City Limits Poly



509 1ST ST

This map is a product of The City of Prescott



Item E.2. Attachment 1

<b>COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO</b>	
<b>June 14, 2016</b>	
<b>DEPARTMENT:</b> City Manager (Water Resource Management)	
<b>AGENDA ITEM:</b> Water Service Agreement Application No. 16-007 by Deep Well Ranch Estates, for construction of a 255 single-family-unit workforce housing subdivision on APNs 102-04-001H, 010L, 010J, and 010G on the west side of SR89 near the Airport	

<b>Approved By:</b>	<b>Date:</b>
<b>Water Resource Manager:</b> Leslie Graser	
<b>City Manager:</b> Craig McConnell	

**Background**

Resolution No. 4328-1537, adopted May 3, 2016, "Alternative Water Allocation Policy for Calendar Year 2016" (Policy), identifies a supply for possible allocation to new projects not listed in Exhibit A thereto.

**Summary**

Water Service Agreement (WSA) Application No. 16-007 was filed for a two hundred and fifty-five (255-unit) subdivision. The water requirement for 255-units is 89.25 acre-feet (AF) (255 units x 0.35 AF/unit).

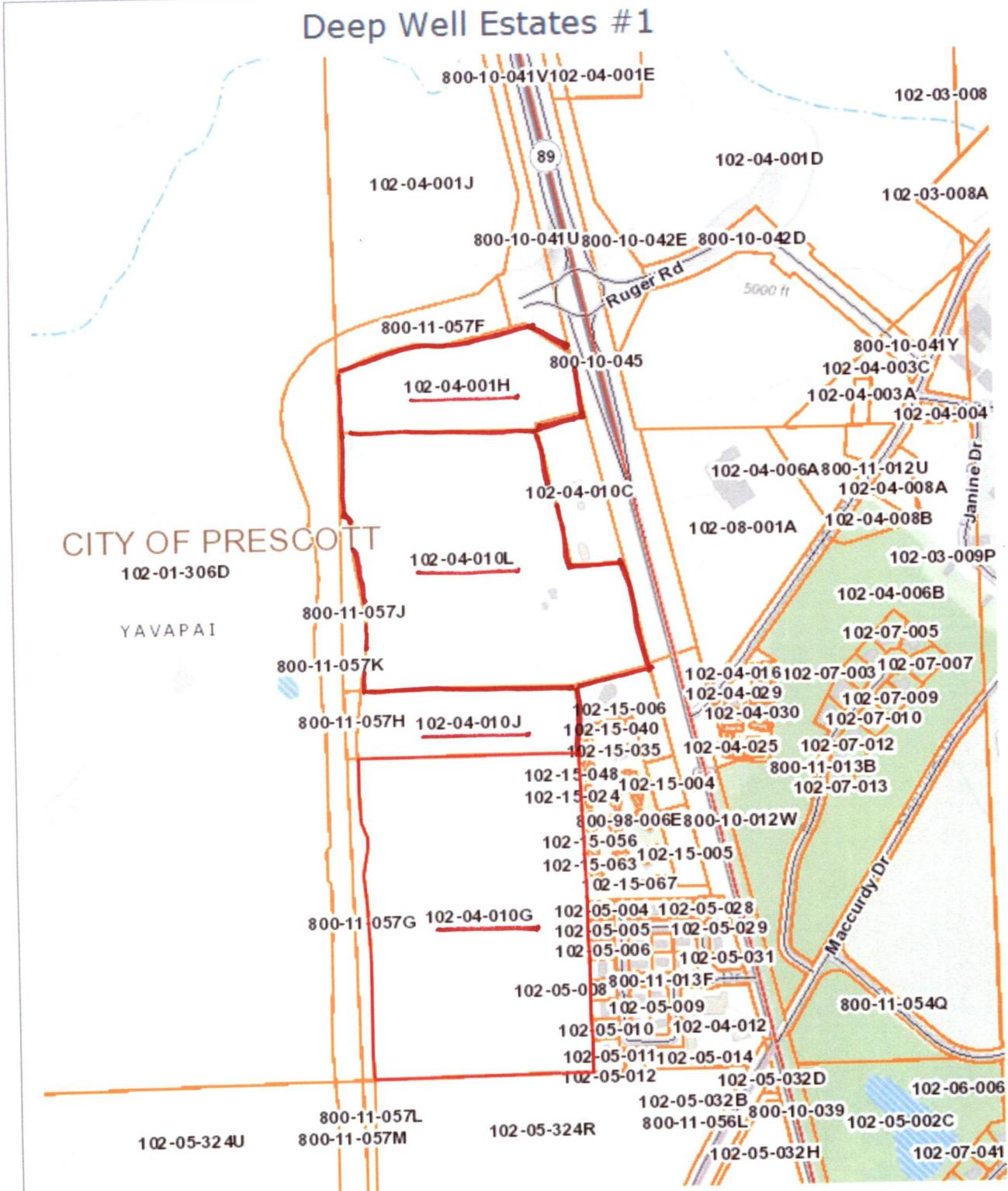
This project is subject to the available volume and requirements defined in the Market column of the Category 2 table of the Policy. As noted in Condition A, Exhibit A projects (for which water was requested prior to the temporary suspension) have first priority until the end of Calendar Year 2016. At this time, the volume held in priority is 101.5 AF, leaving a total of 23.5 AF for new projects (this quantity will be reduced as projects are approved). As noted in Condition E, after Exhibit A projects, no one project can use more than 50% of the remaining quantity. The Preliminary Plat for Deep Well Ranch Estates, as proposed would require more than 50% of this remaining quantity, which is contrary to the Policy.

Water would be allocated for the project by A or B below, separately or in combination:

- A) Workforce Housing/Multi-family/Apartments/Duplex Allocation for Calendar Year 2016
  - As of June 8, 2016, a total of 59 AF remains for new projects, with 132.00 AF of interest evidenced by building permit, site plan, or preliminary plat applications.
  - The volume that may be available at the time the project completes the preliminary plat process could range from 29.0 to 0.0 AF.
  
- B) City Contract No. 2010-086 (Deep Well Ranch)
  - The first increment of reservation volume, currently available, is 421 AF (total first increment reservation is 450 AF).

Item E.3. Attachment 1

# Deep Well Estates #1



CITY OF PRESCOTT

102-01-306D

YAVAPAI



Disclaimer: Map and parcel information is believed to be accurate but accuracy is not guaranteed. No portion of the information should be considered to be, or used as, a legal document. The information is provided subject to the express condition that the user knowingly waives any and all claims for damages against Yavapai County that may arise from the use of this data.

Map printed on: 6.1.2016



CITY OF PRESCOTT  
COMMUNITY DEVELOPMENT DEPARTMENT  
PLANNING DIVISION  
201 S. Cortez, Prescott, AZ 86301 (928) 777-1356

Project #: RP/16-001 PRELIMINARY PLAT - HEARING APPLICATION

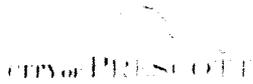
Subdivision Plat Name: Deep Well Ranch Estates

Current Assessor's Parcel Number(s): 102-04-010G, 102-04-010J, 102-04-010L and part of 102-04-001H

Township 15N Section 26 Range 02W Zoning: MF-H (Proposed)

<b>Owner Name &amp; Address:</b> Chamberlain Development, Inc. 1050 W. Washington Street #214 Tempe, Arizona 85281 Contact: Vic Chapman <b>Phone:</b> (480) 894-1286 <b>Fax:</b> <b>Email:</b> vchapman@sunstatebuilders.com	<b>For Staff Use Only</b>	
<b>Applicant Name &amp; Address</b> (If different than property owner, Agent letter must accompany submittal):   <b>Phone:</b> <b>Fax:</b> <b>Email:</b>	Date Received: _____ Taken In By: _____ Assigned To: _____ Date Application Complete: _____ Fees & Charges: _____ Receipt #/Date: _____ P&Z Study: _____ P&Z Vote: _____ Council Study: _____ Council Vote: _____	
<b>Request For Preliminary Plat Approval:</b> Description of request: <u>255 Multi Family, High Density home sites (mass graded) for a workforce housing project.</u> Location of Property: <u>North of Pioneer Parkway, adjacent to the Willow Creek Road Realignment to the East.</u> Total Acres: <u>47.82 Acres</u> Total Lots: <u>255 Lots</u> Min. Lot Size: <u>4,276 ft<sup>2</sup></u> Max. Lot Size: <u>19,268 ft<sup>2</sup></u> Average Lot Size: <u>5,189 ft<sup>2</sup></u> Existing Zoning: <u>MF-H, BR</u> Proposed Zoning: <u>MF-H, BR</u> Is mass grading proposed: <u>Yes</u> Is project in a Reimbursement District: <u>No</u> If yes, what type: _____ <b>If a Planned Area Development:</b> Total % Area of Open Space: <u>17.4%</u> Total Open Space Area (acres): <u>8.33 Acres</u> Total Number of Dwelling Units: <u>255</u>		
Vic Chapman <b>Name</b>	_____ <b>Signature</b>	_____ <b>Date</b> <u>5/13/16</u>

WSA 16-007



### WATER SERVICE AGREEMENT APPLICATION

Water Resource Management Division  
201 S. Cortez St., Prescott, AZ 86303  
(P) 928.777.1645 (F) 928.777.1255

Please complete the form and submit a legible legal description on a separate sheet of paper as well as a site plan of the subject property with proposed improvements. Submit all documents and the filing fee directly to the Community Development Department at 201 S. Cortez St, Prescott, AZ 86302.

#### APPLICANT INFORMATION

Applicant: Sun State Builders	Contact Person: Vic Chapman, General Manager
Address: 1050 W Washington, Suite 214	City/State/Zip: Tempe AZ 85281
Phone: 480-894-1286	Email: vchapman@sunstatebuilders.com

Property Owner: James Deep Well Ranches #1, LLC	Contact Person: Ron James
Address: PO Box 10245	City/State/Zip: Prescott AZ 86304
Phone: 928-710-2747	Email: jamesdeepwell@gmail.com

#### PROJECT SITE

Address: PAC 16-028

Current Zoning: Bus Regional/MFH Proposed Zoning: PAD

Assessor's Parcel Number(s) of Existing Property:  
102 - 04 - 001H    102 - 04 - 010L    102 - 04 - 010J    102 - 04 - 010G

Existing Water Service (Y/N):   N   Existing Sewer Service (Y/N):   N    
 Existing Well (Y/N):   N   If Yes, Well Registry No.:   N/A  

#### PROJECT DESCRIPTION

Is the project Residential or Commercial? Residential

Please provide brief description: Single Family Work Force Housing

# of Proposed Units: 260 - 45' x 100' Lots    # of Proposed Lots: 260 - 45' x 100' Lots

Has a Water Demand Analysis been completed (commercial)?   No    
 Has a building permit application been submitted?   No    
 Has a Planning and Zoning Recommendation been made?   No  

#### FEES: subject to fees in effect at that time of application submittal

- |   |  |
|---|--|
| <input type="checkbox"/> \$ 50.00    Single Family Residence            | <input type="checkbox"/> \$ 200.00    Multi-Family Residence, Mobile Home Park |
| <input checked="" type="checkbox"/> \$200.00    Residential Subdivision | <input type="checkbox"/> \$ 200.00    Commercial Subdivision                   |
| <input type="checkbox"/> \$ TBD    Commercial Project                   | <input type="checkbox"/> \$ TBD    Change of Use                               |

Applicant Signature: [Signature] Property Owner Signature: [Signature] Date: \_\_\_\_\_

OFFICE USE ONLY				
DATE:	PERMIT #: WSA16-_____	FEE PAID:	Trak It:	Legal Attached:

**Agenda Item:** Water Service Agreement Application No. 16-007 by Deep Well Ranch Estates, for construction of a 255 single-family-unit workforce housing subdivision on APNs 102-04-001H, 010L, 010J, and 010G on the west side of SR89 near the Airport

- As stated in contract, nothing shall preclude the Owner from applying, now or in the future, for additional water from any sources of the City made available for development within the City.

Referring to A) and B) above, the possible allocation

- 29 AF from Workforce and 60.25 AF from Contract 2010-086
- 20 AF from Workforce and 69.25 AF from Contract 2010-086
- < 20 AF from Workforce and remaining volume from Contract 2010-086
- 0 AF from Workforce and 89.25 AF from Contract 2010-086

The parcels related to this project were annexed into the City in March 2013. As development occurs it will be subject to City Charter, Article 1, Section 4 (water use will be permanently recharged).

### **Status of Project**

#### Completed

- Pre-Application Conference (PAC) No. 16-028
- Preliminary Plat and Water Service Agreement application, May 16, 2016
- Preliminary Plat, Round 1 comment letter, May 25, 2016

#### Remaining to be completed

- Preliminary Plat approval
- Planning Commission approval (to be scheduled upon plat approval)
- Water Issues Committee approval (WSA to be drafted upon plat approval)
- City Council approval of WSA

### **Attachments**

- 1) Location Map
- 2) Site Plan and Water Service Agreement Application

**Committee Recommendation to Council:** Discussion, with action at a future Committee meeting.

**COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO****June 14, 2016****DEPARTMENT:** City Manager (Water Resource Management)**AGENDA ITEM:** Water Service Agreement Application No. 16-008 by Prescott Lakes Villas, for the construction of a 210-unit apartment complex on APN 106-13-031H at 2051 Willow Lake Road**Approved By:****Date:****Water Resource Manager:** Leslie Graser**City Manager:** Craig McConnell**Background**

Resolution No. 4328-1537, adopted May 3, 2016, "Alternative Water Allocation Policy for Calendar Year 2016", identifies a supply for possible allocation to new projects not listed in Exhibit A thereto.

**Summary**

This project is a 210-unit apartment complex; the water requirement is 52.5 acre-feet (AF) (210 units x 0.25 AF/unit). This property is currently serviced by a well. Per Arizona Department of Water Resources Decision and Order No. 86-401501.0001 (the "D&O"), Attachment A.3.b.vi.:

"If any residential groundwater users, including residential groundwater uses served by any exempt well, in existence on August 21, 1998, have been replaced by permanent water service from the applicant after August 21, 1998, multiply one-half acre-foot of groundwater by the number of housing units receiving the service and then multiply that product by 100"

Therefore, if a property was served by a well in 1998 and a connection to City water service replaces the well use, the City can apply for a groundwater allocation increase of 0.5 AF/residence. The 0.5 AF credit will be applied to the property to cover water allocation needs and the allocation will be considered committed demand.

In order to maintain consistency with the D&O and among projects, Water Resources reviews the number of residential units served by a well in 2007 because it is the most recent date ADWR reviewed City water use in the Application to Modify the D&O. According to aerial photography, in 2007 the property had twenty-five (25) residential units served by the well; therefore, this property is eligible for a total of twelve and one-half (12.5) AF of credited committed groundwater.

The total requirement of 52.5 AF would be met by a combination of 12.5 AF of committed groundwater and 40 acre-feet of alternative water. The property owner is requesting an allocation of 40 AF of alternative water to serve 210-unit apartment complex; however, the Policy states, "no one project can use more than 50% of the remaining volume." At this time, the remaining volume is 23.5 acre-feet. The applicant has been made aware of this condition.

**Agenda Item:** Water Service Agreement Application No. 16-008 by Prescott Lakes Villas, for the construction of a 210-unit apartment complex on APN 106-13-031H at 2051 Willow Lake Road

Water allocation for the 210-unit apartment project would require a combination of A), B) and C) below:

- A) Credited ground water in the amount of 12.5 AF
- B) Workforce Housing/Multi-family/Apartments/Duplex Allocation for Calendar Year 2016
  - As of June 8, 2016, a total of 59 AF remains for new projects with 132.00 AF of interest evidenced by building permit, site plan, or preliminary plat applications.
  - The volume that may be available at the time the project completes the site plan process could range from 29.0 to 0.0 AF.
- C) Irrigation Grandfather Rights (IGFR) acquired by the applicant and pledged to the City, in an amount up to 40 AF

Possible allocation when referring to A), B), and C) above

- 12.5 AF from credited groundwater and 40 AF from pledged IGFR
- 12.5 AF from credited groundwater, 29 AF from alternative water category for workforce/apts, and 11.0 AF from pledged IGFR
- 12.5 AF from credited groundwater, <29 AF from workforce/apts, and remaining volume from pledged IGFR

## **Status of Project**

### Completed

- Pre-Application Conference (PAC) No. 16-033
- Site Plan and Water Service Agreement applications, May 6, 2016

### Remaining to be completed

- Site Plan approval
- Planning Commission approval (to be schedule upon site plan approval)
- Water Issues Committee approval (subject to available supplies in 2016 or applicant seeking irrigation grandfather rights)
- City Council Approval of WSA

## **Attachments**

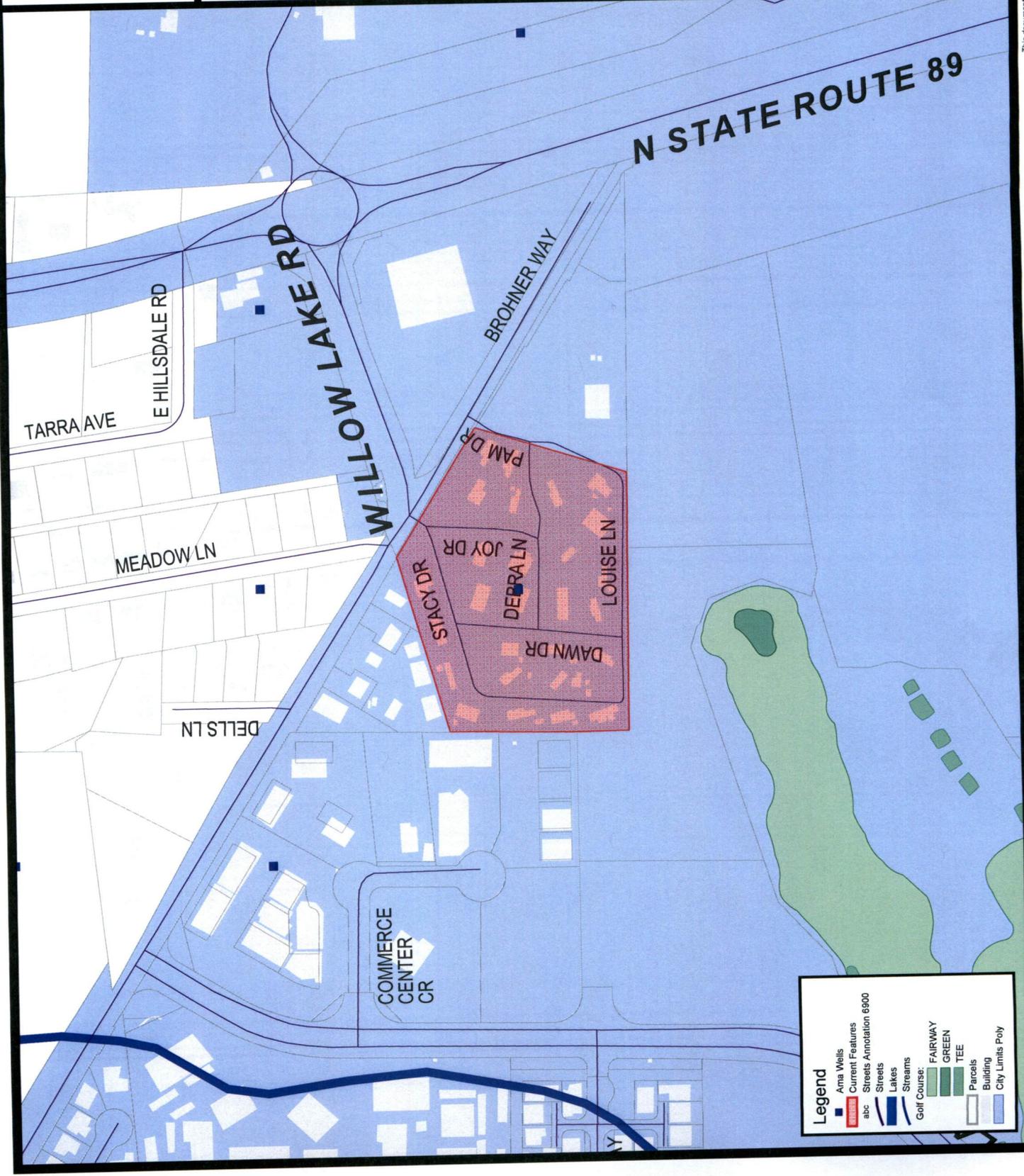
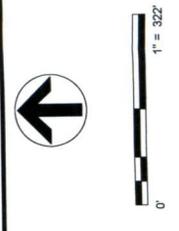
- 1) Location Map
- 2) Site plan and Water Service Agreement Application

**Committee Recommendation to Council:** At this meeting, for Committee discussion only

Item E.4 Attachment 1



This map is a product of  
The City of Prescott



**Legend**

- Area Wells
- Current Features
- Streets Annotation 6900
- Streets
- Lakes
- Streams
- Golf Course:
- FAIRWAY
- GREEN
- TEE
- Parcels
- Building
- City Limits Poly

This document is a graphic representation only of best available sources. The City of Prescott assumes no responsibility for any errors. 2016-06-02 09:35:44 Basic VISA



CITY OF PRESCOTT  
COMMUNITY DEVELOPMENT DEPARTMENT  
201 S. Cortez, Prescott, AZ 86301 (928) 777-1205

### SITE PLAN APPLICATION

(Staff Use Only)

SI# 16-002 Zoning: \_\_\_\_\_ Township \_\_\_\_\_ Section \_\_\_\_\_ Range \_\_\_\_\_  
Taken in By: \_\_\_\_\_ Assigned To: \_\_\_\_\_ Receipt #: \_\_\_\_\_ Date Application Complete: \_\_\_\_\_

Property Address: 2051 Willow Lake Rd., Prescott, AZ 86301

Assessor's Parcel Number (s)(APN): 106-13-031H

Total Acres: (if less than 1/2 acre provide square feet if known) 7.5+ Total Lots: \_\_\_\_\_

Owner Name: RAN & Associates Phone: 858-382-4050

Address: 6170 Caminito Plata Fax: \_\_\_\_\_

San Diego, CA 92120 Email: rickanestor@earthlink.net

Applicant/Agent Name: (If different than property owner, Agent letter must accompany submittal):

Granite Basin Engineering, Inc.

Address: 1981 Commerce Center Circle Phone: 928-717-0171

Suite B Fax: 928-717-0181

Prescott, AZ 86301 E-mail: davin@granitebasinengineering.com

Description of Request: 210 - Unit Apartment Complex

(If necessary: Attach additional sheet (s) to provided a detailed Description of Request)

Applicant/Agent Signature

5/6/2016

Date

May 6, 2016

GBE Project: 16010

Mr. Frank Hall  
Community Planner  
City of Prescott  
201 S. Cortez Street  
Prescott, Arizona 86303

**Re: Site Plan Application for Prescott Lake Villas**

Dear Frank;

Enclosed herewith please find the Site Plan submittal for the referenced project. The project consists of a 210-unit multi-family apartment project at 2051 Willow Lake Road on parcel 106-13-031H. The proposed development is a permitted use in the Multi-Family High Density (MF-H), zoning district per Article 2, Table 2.3 of the Land Development Code (LDC). Contiguous land uses include IT (Industrial Transition), BG (Business General) and similar MF-H zoning.

Changes have been made to the site plan in response to staff comments outlined in the Preliminary Application Conference (PAC) letter, dated 3/7/16. Noteworthy changes include an 18-unit reduction in the total number apartment units and combined access to Willow Lake Road from Brohner Way. Access to the project is proposed from Brohner Way with new turn lane improvements along Willow Lake Road. Proposed off-street parking is provided at one (1) space per bedroom plus twenty (20) guest parking spaces per Article 6, Section 6.2 of the LDC.

Detailed information about the proposed apartment development is included on the enclosed Site Plan in both graphical and tabular format. We are confident that the current Site Plan represents the highest and best use of the property and we look forward to presenting our proposal to the Planning and Zoning Commission and ultimately City Council. Please do not hesitate to contact us should you have any questions or comments.

Sincerely,



Davin Benner, P.E.  
**Granite Basin Engineering, Inc.**

*Enclosures:*

1. *Site plan application submittal checklist (1 copy)*
2. *Site plan application (1 copy)*
3. *PAC16-033 (1 copy)*
4. *24x36 Site Plan (11 copies)*
  - a. *Reduced 8.5x11 (1 copy)*
  - b. *Electronic file (1 copy)*
5. *11x17 Community Center Floor Plan (11 copies)*
6. *11x17 Unit Floor Plans (11 copies)*
7. *11x17 Typical Building Plan (11 copies)*
8. *Building Elevations (to be provided prior to P&Z)*
9. *Check for \$423 filing fee*

**WATER SERVICE AGREEMENT APPLICATION**

CITY OF PRESCOTT

Water Resource Management Division  
201 S. Cortez St., Prescott, AZ 86303  
(P) 928.777.1645 (F) 928.777.1255

Please complete the form and submit a legible legal description on a separate sheet of paper as well as a site plan of the subject property with proposed improvements. Submit all documents and the filing fee directly to the Community Development Department at 201 S. Cortez St, Prescott, AZ 86302.

**APPLICANT INFORMATION**

Applicant: PRESCOTT LAKE VILLAS  
Address: 6170 CAMINITO PLATA  
Phone: 858.382.4050

Contact Person: RICK A. NESTOR  
City/State/Zip: SAN DIEGO, CA 92120  
Email: RICK.A.NESTOR@EARTHLINK.NET

Property Owner:  
Address:  
Phone:

Contact Person:  
City/State/Zip:  
Email:

**PROJECT SITE**

Address: 2051 WILLOW LAKE ROAD

Current Zoning: MF-H Proposed Zoning:

Assessor's Parcel Number(s) of Existing Property:  
106-13-031H

Existing Water Service (Y/N): NO  
Existing Well (Y/N): YES

Existing Sewer Service (Y/N): NO  
If Yes, Well Registry No.:

**PROJECT DESCRIPTION**

Is the project Residential or Commercial?

Please provide brief description:

THE PROJECT CONSISTS OF A 210 UNIT MULTI-FAMILY APARTMENT/ CONDO DEVELOPMENT.

# of Proposed Units: 210 # of Proposed Lots:

Has a Water Demand Analysis been completed (commercial)?

Has a building permit application been submitted?

Has a Planning and Zoning Recommendation been made?

**FEES: subject to fees in effect at that time of application submittal**

- \$ 50.00 Single Family Residence
- \$ 200.00 Multi-Family Residence, Mobile Home Park
- \$200.00 Residential Subdivision
- \$ 200.00 Commercial Subdivision
- \$ TBD Commercial Project
- \$ TBD Change of Use

Applicant Signature: [Signature]

Date: 5/6/2016

**OFFICE USE ONLY**

DATE:	PERMIT #: WSA16-	FEE PAID:	Trak It:	Legal Attached:
-------	------------------	-----------	----------	-----------------

Item F

**COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO**

**June 14, 2016**

**DEPARTMENT:** City Manager (Water Resource Management)

**AGENDA ITEM:** Upper Verde River Watershed Protection Coalition Dues

**Approved By:**

**Date:**

**Water Resource Manager:** Leslie Graser

**City Manager:** Craig McConnell

**Background**

The purpose of the Coalition is to balance the reasonable water needs of the residents of the Upper Verde River Watershed Area with protection of the base flows of the Upper Verde River to the maximum extent while seeking to achieve safe-yield within the Prescott Active Management Area.

This year's dues remain at \$52,000.00. The FY16 dues from the City contribute to the Coalition's ongoing efforts that focus on Watershed Management.

**Attachment**

1. Town of Prescott Valley invoice

**Committee Recommendation to Council:** MOVE to recommend the approval of Upper Verde River Watershed Protection Coalition dues payment to the Council

**COUNCIL WATER ISSUES COMMITTEE AGENDA MEMO**  
**June 14, 2016**

**DEPARTMENT:** City Manager (Water Resource Management)

**AGENDA ITEM:** EZ Street Water Station

**Approved By:**

**Date:**

**Water Resource Manager:** Leslie Graser

**City Manager:** Craig McConnell

**Background**

The EZ Street Water Station was summarized at the May 10, 2016, Committee Meeting. Staff was directed to continue to gather and assess information for consideration of a rate adjustment for better consistency with other water rates and water management policy.

**Summary**

Prescott City Code 2-1-18 (B) (3) outlines rates for the "Bulk Water Dispensing Station" (the EZ Street Station). Starting January 1, 2017, the rate will be \$3.43/1000 gallons (\$0.25 for 70 gallons). According to the rate study consultant, "The adopted rate was increased from \$2.50 per 1,000 gallons in 2014, to \$3.43 per 1,000 gallons by January 1, 2017, reflecting a 37% increase over the three years 2014 to 2017. Projected 2017 volume usage for Coin Operated Water Customers represents 0.2% of total annual water sales."

**Prescott City Code 2-1-18**

B.3. Other nonresidential rates will be in accordance with the following table:

Use	Rate (\$/1,000 gallons)			
	Through 12/31/2014	1/1/2015 – 12/31/2015	1/1/2016 – 12/31/2016	Beginning 1/1/2017
Construction/Hydrant	\$ 2.93	\$ 3.87	\$ 4.33	\$ 4.78
Bulk Water Dispensing Station	2.50	2.97	3.21	3.43

**Options**

- A) Continue to charge rates set by PCC 2-1-18 (B) (3) and address in the next rate study (2017).

**Agenda Item: EZ Street Water Station**

**B) Initiate process for new rate**

1. Prepare in-house report supporting new rate to be specified by PCC 2-1-8 (B) (3), Bulk Water Dispensing Station
2. Council resolution stating intent to increase the rate, and setting the public hearing date
3. Advertise in the newspaper at least 20 days prior to the public hearing.
4. Hold public hearing
5. Council action on increasing rate, to become effective 30 days after the vote.

The previous Water Issues Committee meeting, held on May 10, 2016, identified the metered customer's and water station customer's rate (water station rate as of 1/1/2016 added and shown in grey):

	Metered customer (based on a 5/8" meter, 1/1/2016)	Water Station customer (coin- operated machine)	Water Station customer rate (1/1/2016)
Monthly charge*	\$14.13	\$0	\$0
Residential – SF			
First 3,000 gal	\$3.23 (\$1.08/1000 gal)	\$2.50/1000 gal	\$3.21/1000 gal
Next 7,000 gal	\$4.85 (\$1.21/1000 gal)	\$2.50/1000 gal	\$3.21/1000 gal

\*Monthly meter charge and Aquifer Protection fee

**Committee Recommendation to Council:** To be determined by the Committee.