

**Arizona Department of Water Resources  
Third Management Plan Stakeholder Meeting Summary  
March 24, 2006**

**Welcome, Introductions, and Overview of Agenda**

**Joe Singleton:** The remaining stakeholder meetings schedule is as follows:  
Meeting duration is 10:00 a.m. to 3:00 p.m.

**April 14<sup>th</sup> ..... Fidelity National Title Building, Casa Grande, Arizona**  
**May 8<sup>th</sup> ..... ADWR, Phoenix, Arizona**  
**May 25<sup>th</sup> ..... Fidelity National Title Building, Casa Grande, Arizona**  
**June 16<sup>th</sup> ..... TBA**

**Working Session**

**Robin Stinnett** summarized the main elements of Val Little's BMP program proposal:

- It would be a performance-based program. All providers must make some effort toward water use efficiency in their services areas.
- Providers would choose from a menu of conservation activities (BMPs) those that best meet the characteristics of their service areas in addition to implementing a specific set of required measures. Providers must implement a mix of measures that adds up to a certain number of points.
- Each provider would submit a Conservation Efforts Report each year that would:
  - a. summarize their efforts for the past year
  - b. contain an evaluation of the effectiveness of the efforts being reported and
  - c. describe their plans for future efforts.

**Robin Stinnett:** Does the stakeholder group agree proceeding with a BMP-style water conservation program?

**Shilpa Hunter-Patel:** Inquired about internal ADWR discussions regarding a BMP program.

**Joe Singleton:** ADWR has discussed a BMP approach internally, but has not developed any absolute program recommendations or requirements. ADWR wants a program where enrollment is not entirely voluntary and might become a base program phase-in for the remainder of the TMP. PWCs have stated the difficulty in receiving ACC approval for voluntary water conservation measures and programs.

**Ken Slowinski:** ADWR supports BMP appropriateness for individual service areas.

**Keith Larson:** What are ADWR concerns regarding administrative burden with an individualized BMP approach?

**Stinnett:** Effective program management for both ADWR and water providers is a basic goal discussed internally and at stakeholder meeting. Future discussions beginning today will clarify administrative burden concerns for all involved parties.

**Paul Gardner:** What is ADWR's view of a graduated BMP program that addresses differences in size between providers? Smaller providers, with few employees, require a program with less administrative burden.

**Ken Seasholes:** ADWR has discussed service area scale factors. Scale issues might be remedied or lessened by selecting BMPs most suited to individual service area characteristics.

**Val Danos:** Does this BMP program apply to all providers for the remainder of the TMP? What about providers currently enrolled in the GPCD program, which already have effective conservation programs? A value determination for a BMP-styled program can't be made until the providers know who will be affected, especially those providers succeeding under current conservation programs.

**Marilyn Derosa:** The City of Avondale is enrolled in the GPCD program and also conducts BMP-style conservation measures. Cities can control the delivery system, but for the most part, not the end user. I support tangible measures presentable to the city council showing the effectiveness of our water conservation activities. Quantifying actual water saved for some BMPs is difficult, but a structured program is beneficial for both public and private water providers.

**Larson:** Water providers utilize BMPs because they have proven records of increased water efficiency and savings. This is the ultimate goal of the Department and a reason for pursuing a BMP-style program.

**Comment:** It was mentioned that the agricultural BMP program may not, in fact, conserve water. Can we be sure that a municipal BMP program will?

**Val Little:** Is ADWR going to decide individual BMPs? Or will the utilities decide which conservation measures are most appropriate?

**Stinnett:** I think the Department would need assurance that selected BMPs are appropriate for each service area. How this assurance should be incorporated into the program will be discussed through these meetings.

**Singleton:** A flexibility versus structure debate exists regarding plan development. Any developed program should allow provider flexibility when determining needs while allowing the Department to determine the effectiveness of the conservation measures being employed.

**Larson:** A BMP program needs associated reporting requirements for accountability. Water provider conservation efforts should be reasonable and everyone should do their part.

**Bill Garfield:** We should keep in mind that the agricultural BMP program took several years to design and finally implement.

**Seasholes:** The non-per capita and the agricultural BMP program devoted a lot of time to program development and debated the constituents of an effective program. It seems a consensus is building for a BMP-style program.

**Danos:** The overall evaluation of the agricultural BMP program is objective (i.e., You either have a sloping field or you don't). A few municipal BMPs being discussed can lead to subjectivity (i.e., Cities with similar populations and systems being compared to one another and values being placed on who was more effective in conserving water.)

**Pete Smith:** The City of Tempe's landscape rebate program non-per capita reporting requirements basically are: How did you advertise the program? How many times was it advertised annually? I think this type of reporting contains objectivity.

**Little:** This might lead back to the non-per capita program, where you distributed a certain number of pamphlets and ADWR wants a different distribution value.

**Smith:** Minimum RCM requirements are expressly defined in the non-per capita program. Example: For a system-wide audit, Tempe had to specify that at least seventy system miles would be checked each year.

**Comment:** The difficult part is developing minimum RCM requirements. This is where the administrative burden comes in, but once the requirements are finalized the process is rather straightforward.

**Smith:** When Tempe enrolled in the non-per capita program our new conservation program was similar because we were already doing most of the RCMs. The individual components changed categories (i.e., indoor/outdoor residential and non-residential) and we negotiated with ADWR about RCMs.

**Little:** A non-per capita approach applied to BMPs will result in a large administrative burden and significant amounts of paperwork.

**Seasholes:** Val, I don't see this as a foregone conclusion. The structural issues of the non-per capita program guaranteed administrative burdens. The non-per capita program involved extended stipulations (in the Tucson AMA) regulating the implementation of conservation methods (Which ones? How many? How often?). The agricultural BMP program that our discussions have been modeling doesn't have the same level of administrative burden found in the non-per capita program.

### **BMP Program Questions**

**Robin Stinnett** provided a set of BMP program questions for discussion (see below).

**Seasholes:** Stated two possible BMP program structures, (1) category of uses: indoor/outdoor, residential/non-residential or (2) categories of BMPs: education component, ordinance component, etc.).

**Comment:** The weight placement on BMPs is difficult to determine.

A lengthy discussion occurred regarding the organization and structural elements of a BMP program. The stakeholder working session resulted in a list of BMP categories and types (see below, after the **Questions**).

### **Questions**

1) What would an ideal BMP program look like? What components should be required and what should be optional? How would the parameters for an effective program be identified? Points? Number of measures adopted? Extent to which a measure is adopted? Develop listing of BMPs?

2) How would a provider go about demonstrating that the BMPs selected are those that are most appropriate for the demographics and water uses (future and planned) in its service area?

3) How often and how extensively should a provider report on its efforts? What information should be included in the report and to what level of detail? When should reports be submitted? What evaluation criteria should the Department use to determine whether or not the report is satisfactorily complete? What actions should the Department take if reports are not submitted in a timely or complete manner?

4) How should program effectiveness be evaluated?

- a. What criteria should providers follow to evaluate the effectiveness of their programs?
- b. What criteria should the Department use to evaluate effectiveness of a provider's program?
- c. What measure(s) should be used to track or monitor water use efficiency over time?

5) What would an effective compliance program look like? How would the Department determine whether or not a provider is in compliance with the program? When and how should providers be notified that they are in or out of compliance? If a provider is out of compliance, what steps should be taken by the Department and the provider to mitigate the situation?

### **BMP Categories**

#### *Physical System*

- 100% metered connections (residential, commercial, industrial and known customers)
- Leak detection program
- Source meters
- Meter repair and replacement (efficiencies)
- Reclaimed water distribution system
- Comprehensive water system audit
- Asset management program/ Facilities maintenance program
- Pressure management

#### *Rates*

- Conservation rate structure
  - a) Tiered
  - b) Inverted
  - c) Seasonal
  - d) Penalties
    - overuse
    - fines for water wasting
    - rebate/returned to conservation program
    - full cost pricing

- Development/impact fees for certain types of uses
- Fee reductions/waivers for conservation related uses/approaches/technologies

#### *Ordinances and Other Requirements*

- Water waste
- Water in the street
- Water theft
- Water features
- Retail restrictions/plumbing code
- Turf limitations
- Landscape/xeriscape ordinances
- Car washes (must recycle water)
- Grey water ordinance
- Reclaimed water (mandatory for turf areas > 5 acres)
- Time of day restrictions
- Irrigation efficiency standards (distribution uniformity for commercial and industrial users)
- Hot water recirculation
- Retrofit on resale – inside and out

#### *Education and Outreach*

- Trade seminars (landscape professionals/retailers)
- Public information
  - a) giveaways
  - b) civic events
  - c) materials distribution
  - d) face-to-face contacts (resulting from interaction through other programs, i.e., rebates)
- Youth education
- Adult education and training (geared toward trades and organizations)
- Membership in regional groups that provide outreach
- Targeting specific audiences, i.e., Spanish language brochures/messages
- Home water audit programs/workshops

#### *Marketing and Public Relations*

- Publicity of water-related accomplishments (regionally/statewide)
- Market surveys (identify information needs to assess success of messages)
- Water consumption information in bill stuffers

#### *Partnerships and Regional Conservation Efforts*

- Support development of new conservation technologies and products

- Industry partnerships
- Self-education/information sharing groups
- Organizations that implement activities to benefit from economies of scale and consistency of management
- PWCs and local governments

*Administrative*

- Staffing – One F.T.E. per some population increment
- Funding –Include as an element in the report how their program is staffed
- Possible reporting equipment

*Research/Innovation*

- Information not discussed at 3/24/06 meeting.

*Rebates/Incentives*

- Information not discussed at 3/24/06 meeting.

**Questions/Comments during BMP Development Working Session**

**Smith:** If we were talking about compliance for all providers enrolling in the BMP program it would make the administrative burden enormous for the Department.

**Mark Frank:** The focus should be on what the providers want the program to look like and then get the Department’s reaction to the proposal. The focus should not be on past ADWR compliance activities.

**Smith:** Are we talking about abandoning the GPCD program and making a single BMP program? I thought the original intent was to develop an alternative program for the PWCs. Now talk surrounds the BMP program replacing all other GPCD programs.

**Frank:** In the future it could. It would be unlikely for the Department to move anyone from the total GPCD program into a BMP-type program for the duration of the TMP. If a BMP program is found to be better than the total GPCD program, it may become the base program for future management plans.

**Garfield:** This is an opportunity to create a program that works for PWCs and municipal providers. It could become the base program that achieves both administrative and water use efficiency. My concern is determining whether the steps we are taking insure that providers are compliant. ADEQ compliance is clearly defined: The providers need to know with certainty beforehand what ADWR compliance values would be.

**Frank:** ADWR and the agricultural community developed BMP categories jointly. Once we achieved the definition and descriptions of each BMP, both parties were comfortable moving forward. An entity would know if the necessary point structure were not achieved, removal from the program could result.

**Larson:** California has fourteen BMPs and their associated compliance levels are defined. Water providers report electronically and the website includes a section to

discuss the unique characteristics of a service area. This assists the reviewer because it explains why the provider chose the BMPs they did. Determinations of compliance or noncompliance aren't fully developed, but electronic reporting does reduce some administrative burden. An effective BMP reporting model is available.

**Stinnett** (summarizing **Gardner's** comments): A BMP program should include a water use tracking mechanism that serves as a gauge of effectiveness not as a compliance tool.

**Gardner**: Meanwhile, reviews would allow providers to substitute certain BMPs that prove ineffective or yield less than advantageous results.

**Stinnett**: We would need to think about how long to go before substituting a BMP.

**Larson**: Economically, several BMPs prove to be cost ineffective in the short term. Long-term costs are lowered because water saved today helps to offset future costs associated with increases in water prices. If we get to a core program with between 6-10 BMPs, generally accepted by the industry and that are cost effective, then the program might be successful.

**Garfield**: A cost benefit analysis is inherent in all BMPs. We should know the cost benefit analysis for the base BMP program before giving approval. We need to have some certainty and flexibility to exclude or change BMPs that make no sense or prove ineffective for a provider. I support a BMP program requiring ten points over different categories.

**Fernando Molina**: A cost benefit analysis is an excellent justification for selecting a certain BMP over another when reporting to ADWR.

**Larson**: PWCs need a prescriptive program showing that these BMPs are accepted by ADWR when approaching the ACC.

**Danos**: Can you have a discriminatory program in a management plan? A program that says all PWCs must submit to a certain measure that municipalities do not.

**Slowinski**: If the statutes created different programs for PWCs and municipal providers, it would be constitutional upon adoption of a management plan. The problem with creating separate programs for the TMP was under existing law there was an absence of statutory basis. In your example, the statutes would be changed and could allow for differences in public and private utilities.

**Little**: Offered to provide information on the current work that Pima County and the City of Marana, AZ are developing concerning water savings ordinances.

**Garfield**: How effective are the bill stuffers that water providers send out in the mail? Do they, in fact, effect changes in water use habits? Is there a way to measure how effective these programs are?

**Smith**: You are promoting your own programs with bill stuffers. The City of Tempe advertises rebate programs as part of our non-per capita enrollment. These advertisements are prescribed a certain number of times a year.

**Gardner**: I think this issue is a matter of statewide conservation. I think the water providers need to do a better job of promoting the efforts the Department has made toward statewide water conservation.

**Garfield**: A BMP stating, "You will mail out a certain number of educational fliers," is probably ineffective. We need to develop a measure of success for these types of activities. I am not saying the brochures aren't well created and full of information, I am just questioning their effectiveness in actually conserving water.

**Molina:** Public information programs act as water conservation marketing. It assists by educating customers on the why and how of water conservation. Surveys can be used to measure the level of understanding and effectiveness the programs are having. Education programs are measured by change in attitude toward water conservation.

**Smith:** Tempe placed a graphical representation of individual customer water use (over the last 18 months) in fliers and received a great response from the public. The cost was minimal for the positive effect produced.

**Comment:** Investigating the communication barriers between people and information is important for any water provider. Education without follow-up has a low return rate in terms of conservation measures actually being adopted by the public.

**Arturo Gabaldon:** Supports the flexibility of the BMP program based on his unique service area demographics. The ability to put limited resources toward the most effective conservation activities is extremely important.

**Jo Miller:** Face-to-face interviews and Q & A sessions regarding water conservation methods have proven extremely effective for the City of Glendale.

**Smith:** Tempe has two dedicated water conservation specialists for a population of around 167,000, which is administratively adequate. Perhaps a provider should have one person dedicated to water conservation and then subsequent people for every 100,000 more in population?

**Larson:** The small providers would have a problem with that BMP; however, after a certain number of programs are created a provider would need a dedicated conservation specialist(s).

**Stinnett:** This is an example of where regional water conservation alliances might be effective in terms of overall staffing.

**Little:** A disconnect exists between a token conservation staff person who is not integrated into the overall utility operations.

**Danos:** If such a system were in place, I suspect paying water customers would ask why so many people are working on water conservation, but public libraries are closed on Sundays.

**Garfield:** I think a holistic approach where multiple employees participate in water conservation activities would be more beneficial than one full-time employee that doesn't relate to overall company projects.

**Smith:** Wouldn't it be easier for PWCs to recoup the cost of one full-time conservation employee from the ACC if the Department required that position?

**Garfield:** That would be infringing on a provider's personnel decisions. Water conservation is a result driven process, but how the results are derived should be up to the individual provider.

**Colette Moore:** The staffing component requirement will not work when taken to city councils. The communities will not support or understand such a requirement.

**Deanna Ikeya:** Staffing could be a BMP option not a requirement. Additionally, it serves as a way for providers to publicize water conservation efforts.

**Stinnett:** The group didn't discuss BMPs to be considered in the innovation/technology and the incentives/rebate categories. The stakeholders agreed to develop these categories for discussion by the next meeting.

**Next Meeting**

**10:00 a.m. – 3:00 p.m.**

**Friday, April 14<sup>th</sup>, 2006**

**Fidelity National Title Building**

**Casa Grande, AZ**

**In Attendance at March 24 meeting**

Stakeholders

Arturo Gabaldon	CWC
Bill Garfield	Arizona Water Company
Carla Consoli	Lewis & Roca
Christina Klien	City of Peoria
Cliff Neal	CAGR
Colette Moore	City of Mesa
Deanna Ikeya	City of Peoria
Donna DiFrancesco	City of Mesa
Elisa Klein	City of Scottsdale
Fernando Molina	Tucson Water
Greg Capps	City of Chandler
Jo Miller	City of Glendale
Keith Larson	Arizona America Water
London Lacy	City of Surprise
Lynne Fisher	Bureau of Reclamation
Pete Smith	City of Tempe
Ries Lindley	Tucson Water
Shaun Rydell	City of Prescott
Shilpa Hunter-Patel	Witney, Anderson & Morris
Val Danos	AMWUA
Val Little	Water CASA

ADWR

Andrew Craddock  
Gordon Wahl  
Joe Singleton  
Ken Slowinski  
Ken Seasholes  
Mark Frank  
Paul Charman  
Robin Stinnett