

SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT MEETING NOTICE AND AGENDA

WATER COMMITTEE

Tuesday, November 19, 2024, 9:30 AM

SRP Administration Building
1500 N. Mill Avenue, Tempe, AZ 85288

Committee Members: Robert Arnett, Chair; Stephen Williams, Vice Chair; and Nicholas Brown, Mario Herrera, Kevin Johnson, Sandra Kennedy, and Krista O'Brien

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 CHAIR ROBERT ARNETT

- Request for approval of the minutes for the meeting of October 22, 2024.

2. Colorado River Hydrology and Operations UpdateMICHAEL MENDONCA

Informational presentation regarding Colorado River hydrology and efforts by the United States, the seven basin states, Tribes, water users, and other related interests in the basin to address drought conditions, including interim measures to conserve water prior to the expiration of the 2007 Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead, and the development of the Post-2026 Operational Guidelines and Strategies for Lake Powell and Lake Mead.

3. Verde River Reservoirs Sediment Mitigation Project and SRP-Central Arizona Project (CAP) Interconnection Facility (SCIF) Project UpdatesKYLE TILGHMAN

Informational presentation regarding updates on two separate water resiliency projects, including (1) the Verde River Reservoirs Sediment Mitigation Project wherein SRP and the Bureau of Reclamation are studying options to recover lost water storage capacity on the Verde River Reservoir system and other purposes; and (2) the SCIF Project wherein SRP and others are analyzing whether to develop the SCIF to assist, either directly or through exchange, the transportation of non-SRP shareholder water between the SRP and CAP water delivery systems.

4. Report on Current Events by the General Manager and Chief Executive Officer and DesigneesJIM PRATT

5. Future Agenda Topics CHAIR ROBERT ARNETT

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. §30-805(B), for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary's Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.



**THE NEXT WATER COMMITTEE MEETING
IS SCHEDULED FOR THURSDAY, DECEMBER 12, 2024**

MINUTES
WATER COMMITTEE
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND
POWER DISTRICT

DRAFT

October 22, 2024

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, October 22, 2024, from the Hoopes 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 R.C. Arnett, Chair; S.H. Williams, Vice Chair; M.J. Herrera, K.J. Johnson, S.D. Kennedy, and K.H. O'Brien; and L.D. Rovey of the Association.

Committee Member absent at roll call was N.R. Brown.

Also present were President D. Rousseau; Vice President C.J. Dobson; Board Members R.J. Miller, M.V. Pace, J.M. White Jr., and L.C. Williams; Council Chair J.R. Shelton; Council Liaisons M.L. Farmer and M.C. Pedersen; Council Members E.L. Gorsegner, T.S. Naylor, B.E. Paceley, and M.G. Rakow; I.R. Avalos, M.J. Burger, A.P. Chabrier, J.D. Coggins, A.C. Davis, J.M. Felty, J.D. Hovis, V.P. Kisicki, M.M. Klein, B.J. Koch, K.J. Lee, C.M. McJunkin, M.S. Mendonca, L.A. Meyers, K.M. Montalvo, M.J. O'Connor, B.A. Olsen, B.F. Pane, J.M. Pratt, K.S. Ramaley, C.M. Sifuentes, P.B. Sigl, and R.R. Taylor of SRP; Paul Bergelin of Arizona Municipal Water Users Association (AMWUA); and Tina Sleeper of the City of Tempe.

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, October 18, 2024.

Chair R.C. Arnett called the meeting to order.

Consent Agenda

Chair R.C. Arnett requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member M.J. Herrera and seconded by Board Member K.J. Johnson, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Water Committee meeting on September 24, 2024, as presented.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.J. Herrera’s motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

YES:	Board Members R.C. Arnett, Chair; S.H. Williams, Vice Chair; and M.J. Herrera, K.J. Johnson, S.D. Kennedy, and K.H. O’Brien	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member N.R. Brown	(1)

Executive Session: 7th Street and Missouri Avenue Water Quality Assurance Revolving Fund (WQARF) Site

Chair R.C Arnett requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to have discussion or consultation with attorneys for legal advice and to give instructions on the status of SRP’s settlement negotiations concerning SRP’s appeal of the final administrative decision of the Arizona Department of Environmental Quality (ADEQ) concerning the Record of Decision for the 7th Street and Missouri Avenue WQARF site.

On a motion duly made by Board Member M.J. Herrera, seconded by Board Member K.J. Johnson 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 M.J. Herrera’s motion to enter into executive session. The vote was recorded as follows:

YES:	Board Members R.C. Arnett, Chair; S.H. Williams, Vice Chair; and M.J. Herrera, K.J. Johnson, S.D. Kennedy, and K.H. O’Brien	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member N.R. Brown	(1)

J.D. Hovis of SRP; Paul Bergelin of AMWUA; and Tina Sleeper of the City of Tempe left the meeting.

The Committee reconvened into open session at 10:00 a.m., with the following members and others present were President D. Rousseau; Vice President C.J. Dobson; Board Members R.C. Arnett, M.J. Herrera, K.J. Johnson, S.D. Kennedy, R.J. Miller, K.H. O’Brien, M.V. Pace, P.E. Rovey, J.M. White Jr., L.C. Williams, and S.H. Williams; Board Member L.D. Rovey of the Association; Council Chair J.R. Shelton; Council Liaisons M.L. Farmer and M.C. Pedersen; Council Members E.L. Gorsegner, T.S. Naylor, B.E. Pacey, and M.G. Rakow; and I.R. Avalos, M.J. Burger,

A.P. Chabrier, J.D. Coggins, A.C. Davis, J.M. Felty, V.P. Kisicki, M.M. Klein, B.J. Koch, K.J. Lee, C.M. McJunkin, M.S. Mendonca, L.A. Meyers, K.M. Montalvo, M.J. O’Connor, B.A. Olsen, B.F. Pane, J.M. Pratt, K.S. Ramaley, C.M. Sifuentes, P.B. Sigl, and R.R. Taylor of SRP.

M.M. Klein of SRP left the meeting.

Executive Session: West Van Buren WQARF Site

Chair R.C Arnett requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(3) and (A)(4), to have discussion or consultation with attorneys for legal advice and to give instructions on (1) pending litigation, Gallagher & Kennedy, P.A. v. City of Phoenix, et. al., Case No. 23-15938, 2:16-cv-04447, and (2) legal issues and potential settlement/remedy for the West Van Buren WQARF site to avoid additional litigation.

On a motion duly made by Board Member M.J. Herrera, seconded by Board Member K.J. Johnson and carried, the Water Committee convened into executive session at 10:00 a.m.

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

- YES: Board Members R.C. Arnett, Chair; S.H. Williams, Vice Chair; (6)
and M.J. Herrera, K.J. Johnson, S.D. Kennedy, and K.H. O’Brien
- NO: None (0)
- ABSTAINED: None (0)
- ABSENT: Board Member N.R. Brown (1)

The Committee reconvened into open session at 10:31 a.m., with the following members and others present President D. Rousseau; Vice President C.J. Dobson; Board Members R.C. Arnett, M.J. Herrera, K.J. Johnson, S.D. Kennedy, R.J. Miller, K.H. O’Brien, M.V. Pace, P.E. Rovey, J.M. White Jr., L.C. Williams, and S.H. Williams; Board Member L.D. Rovey of the Association; Council Chair J.R. Shelton; Council Liaisons M.L. Farmer and M.C. Pedersen; Council Members A.A. Freeman, E.L. Gorsegner, R.S. Kolb, T.S. Naylor, B.E. Pacey, M.G. Rakow, and R.W. Swier; and I.R. Avalos, M.J. Burger, A.P. Chabrier, J.D. Coggins, A.C. Davis, J.M. Felty, V.P. Kisicki, B.J. Koch, K.J. Lee, C.M. McJunkin, M.S. Mendonca, L.A. Meyers, G.A. Mingura, K.M. Montalvo, S.S. Morris, M.J. O’Connor, B.A. Olsen, B.F. Pane, J.M. Pratt, K.S. Ramaley, C.M. Sifuentes, P.B. Sigl, R.R. Taylor, and R.M. Vertefeuille of SRP.

J.D. Hovis of SRP; Paul Bergelin of AMWUA; and Tina Sleeper of the City of Tempe entered the meeting.

Per and Poly-Fluoroalkyl Substances (PFAS)

Using a PowerPoint presentation, Robert M. Vertefeuille, SRP Senior Manager of Environmental Laboratory and Field Services, stated that the purpose of the presentation was to provide information regarding an update on the emerging regulatory environment for PFAS, including efforts by the U.S. Environmental Protection Agency (EPA) and the ADEQ to address the risks posed by the substances.

Background

R.M. Vertefeuille explained that PFAS are a large group (>5,000 types) of widely used, long-lasting, stable chemicals that have non-stick/water-resistant properties and may be mobile and/or bioaccumulative in the environment. They explained that the EPA has indicated that PFAS can be found in the following places: 1) fire extinguishing foam; 2) personal care products; 3) household products and dust; 4) manufacturing or chemical production facilities; 5) food (e.g., fish and dairy products); 6) food packaging; 7) drinking water; 8) soil/water near waste sites; and 9) biosolids.

R.M. Vertefeuille said that the EPA's research has largely focused on the health effects of human exposure to PFAS. They informed the Committee that the EPA PFAS Strategic Roadmap strategy consists of an approach that includes research, restriction, and remediation. R.M. Vertefeuille stated that the EPA's proposed key actions include drinking water regulations, Clean Water Act (CWA) permitting, and hazardous substance designation.

Federal Regulatory Developments

R.M. Vertefeuille reported that on April 26, 2024, the final rule of the PFAS National Primary Drinking Water Regulation was published, which sets monitoring, notification, and treatment requirements for public water systems. They discussed the final limits on PFAS levels in drinking water and requirements established for drinking water systems.

R.M. Vertefeuille also reported that on May 8, 2024, the final rule on PFAS Hazardous Substance Designation was published, which applies to Perfluorooctanoic acid (PFOA) and Perfluorooctanesulfonic acid (PFOS); sets reporting requirements for releases of PFAS greater than one pound within a 24-hour period; and allows the EPA to recover remediation costs from those responsible for the contamination.

State-Level Actions

R.M. Vertefeuille listed assessment monitoring of drinking water systems for PFAS as follows: 1) 2013-2015: EPA unregulated contaminant monitoring of public water systems; 2) 2018: ADEQ state-wide groundwater assessment monitoring; and 3) 2022: ADEQ assessment of 1,200 small drinking water systems. They also explained that the EPA's final rule triggers ADEQ's rulemaking process for establishing aquifer water quality standards for PFAS.

Future Regulatory Actions

In conclusion, R.M. Vertefeuille said that the EPA's anticipated future actions include updates to the PFAS strategic roadmap and the following CWA-related actions: 1) additional surface water quality standards anticipated for 2024 through 2025; 2) wastewater discharge limitations for manufacturers, metal finishing, electroplating, and landfills in the fall or winter of 2024; and 3) promulgation of analytical methods for CWA testing in the fall or winter of 2024.

R.M. Vertefeuille responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Council Member B.E. Pacey; and B.A. Olsen of SRP left the meeting. T.A. Kaschak and M.M. Klein of SRP entered the meeting.

Executive Session: PFAS

Chair R.C. Arnett requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(3), to have discussion or consultation with attorneys and to give instructions related to the legal issues and legal risks associated with PFAS and their interaction with SRP water supply and operations.

On a motion duly made by Board Member M.J. Herrera, seconded by Vice Chair S.H. Williams and carried, the Water Committee convened into executive session at 10:52 a.m.

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

YES:	Board Members R.C. Arnett, Chair; S.H. Williams, Vice Chair; and M.J. Herrera, K.J. Johnson, S.D. Kennedy, and K.H. O'Brien	(6)
NO:	None	(0)
ABSTAINED:	None	(0)
ABSENT:	Board Member N.R. Brown	(1)

J.D. Hovis of SRP; Paul Bergelin of AMWUA; and Tina Sleeper of the City of Tempe left the meeting.

The Committee reconvened into open session at 11:07 a.m., with the following members and others present President D. Rousseau; Vice President C.J. Dobson; Board Members R.C. Arnett, M.J. Herrera, K.J. Johnson, S.D. Kennedy, R.J. Miller, K.H. O'Brien, M.V. Pace, P.E. Rovey, J.M. White Jr., L.C. Williams, and S.H. Williams;

Board Member L.D. Rovey of the Association; Council Chair J.R. Shelton; Council Liaisons M.L. Farmer and M.C. Pedersen; Council Members A.A. Freeman, E.L. Gorseger, R.S. Kolb, T.S. Naylor, M.G. Rakow, and R.W. Swier; and I.R. Avalos, M.J. Burger, A.P. Chabrier, J.D. Coggins, A.C. Davis, J.M. Felty, R.T. Judd, T.A. Kaschak, V.P. Kisicki, M.M. Klein, B.J. Koch, K.J. Lee, C.M. McJunkin, M.S. Mendonca, L.A. Meyers, G.A. Mingura, K.M. Montalvo, S.S. Morris, M.J. O'Connor, B.F. Pane, J.M. Pratt, K.S. Ramaley, C.M. Sifuentes, P.B. Sigl, R.R. Taylor, and R.M. Vertefeuille of SRP.

J.D. Hovis of SRP; Paul Bergelin of AMWUA; and Tina Sleeper of the City of Tempe entered the meeting.

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

There was no report on current events by Jim M. Pratt, SRP General Manager and Chief Executive Officer.

Future Agenda Topics

Chair R.C. Arnett 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 11:08 a.m.

John M. Felty
Corporate Secretary



**Update on Colorado River Hydrology and Operations under
the Pre-2026 and Post-2026 Operational Guidelines**

**Water Committee
November 19, 2024**

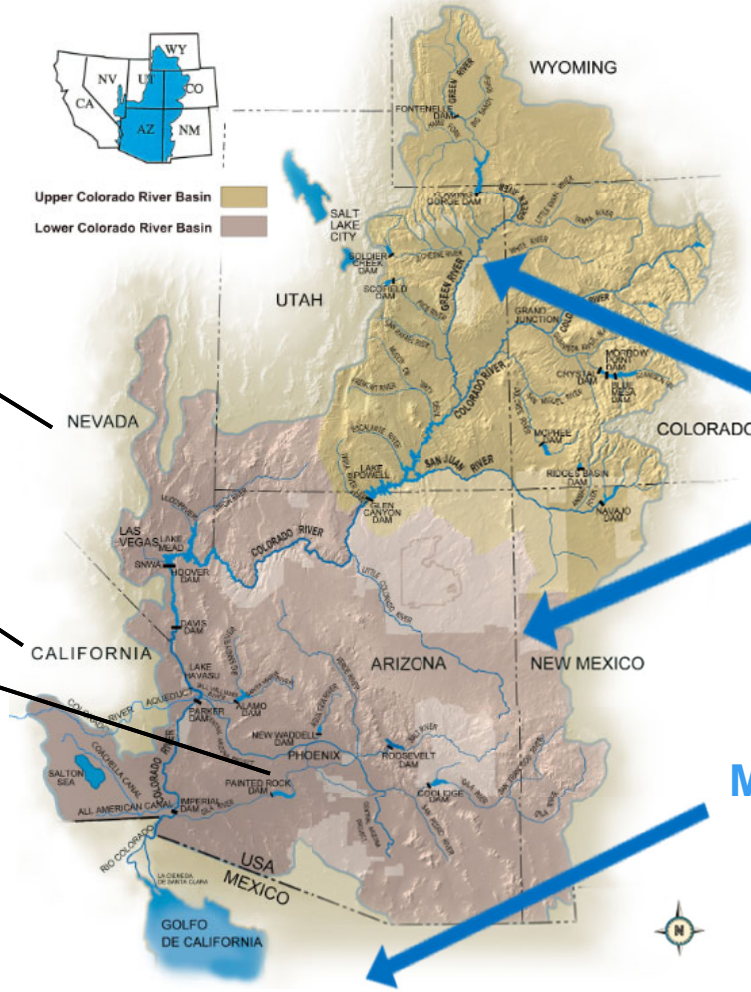
**Michael Mendonca
Senior Director, Water Strategic Services**

Apportionment

NV = 300 KAF

CA = 4.4 MAF

AZ = 2.8 MAF



7.5 MAF each to

Upper Basin (CO, UT, WY, NM)

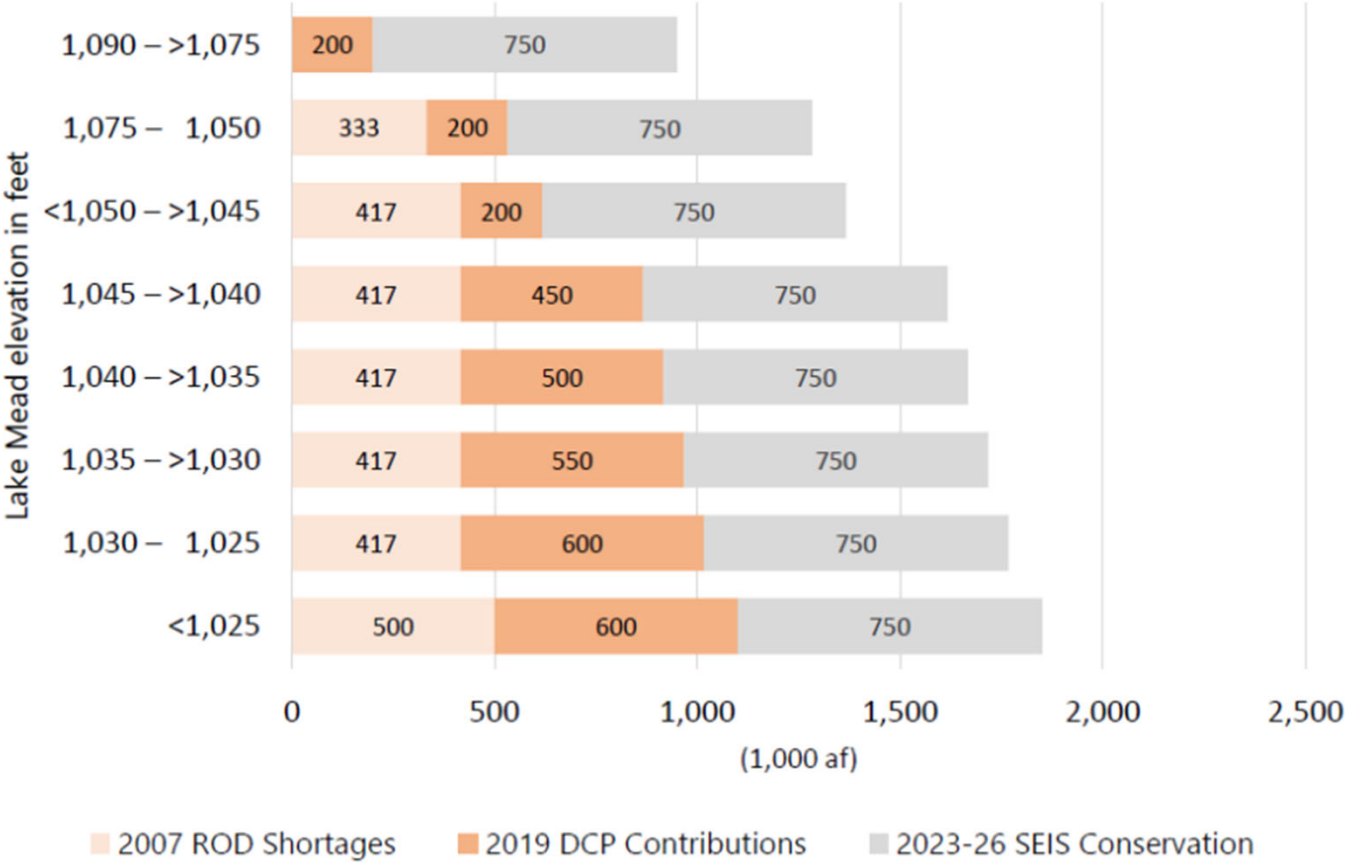
&

Lower Basin (AZ, CA, NV)

Mexico = 1.5 MAF

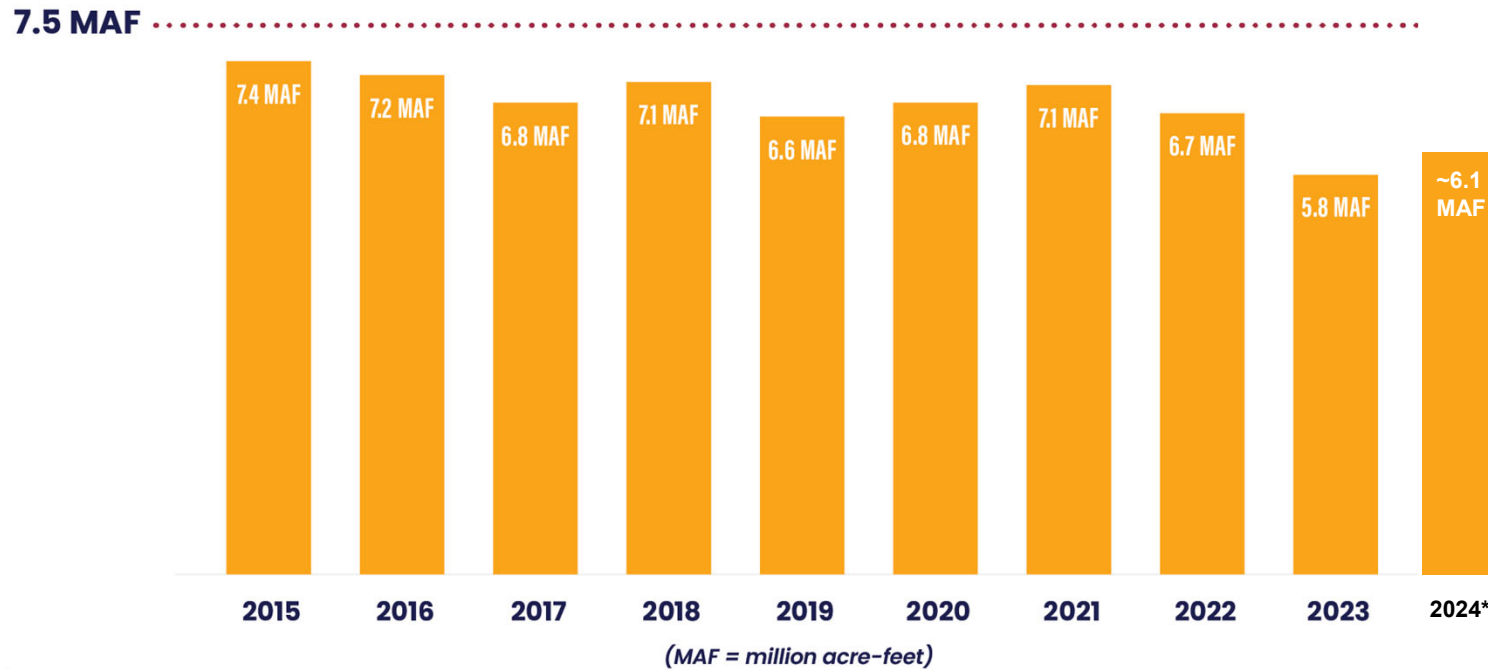
Where we are: Stability through 2026

Near-term annual conservation efforts



Efforts have been diverse and extensive

Annual Lower Basin Consumptive use*

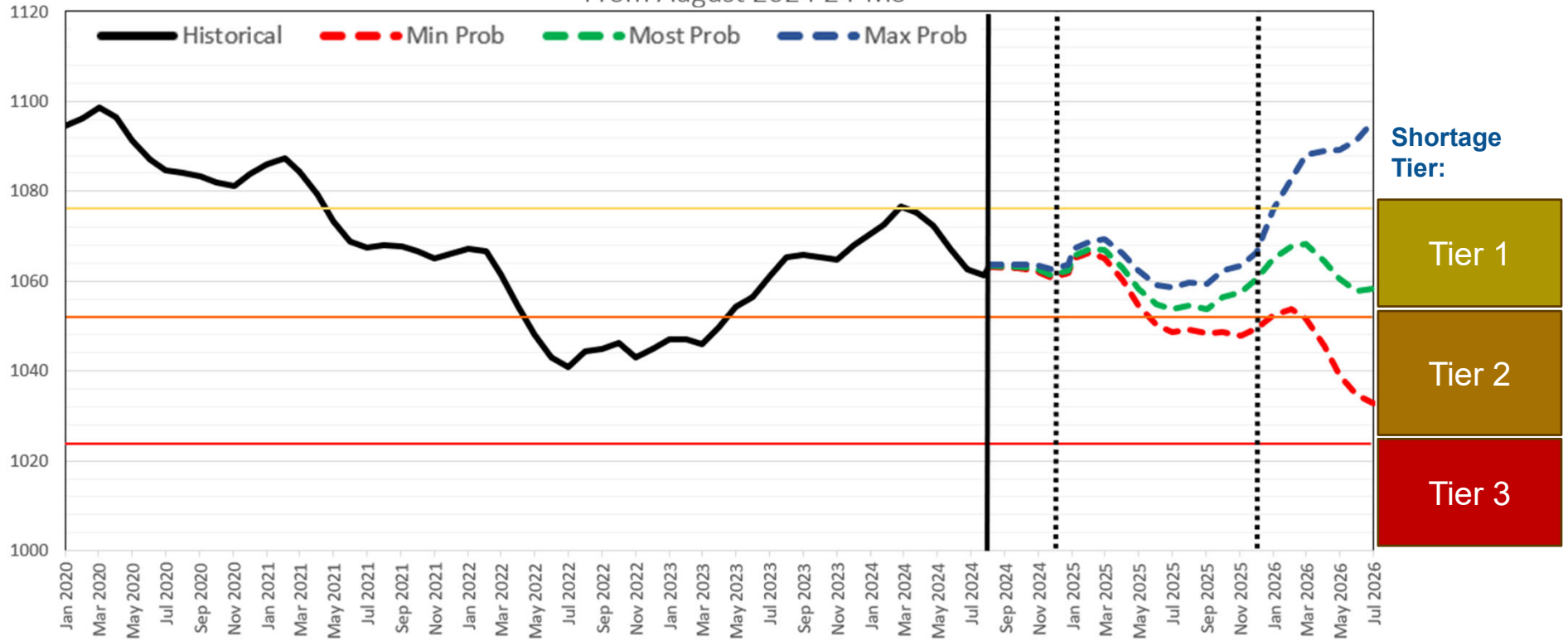


Lower Basin Consumptive use in Water Year 2023 was the **lowest in four decades (1983)**

Projected system conditions have stabilized, (modest) intermediate-term risks persist

Mead End-of-Month Elevations

From August 2024 24-MS



Where we're Going: The State of Post-2026 Negotiations

Proposals on the table

Upper and Lower Basin Proposals

- System contents approach - similar methodologies, significant differences

Tribal Guiding Principles

- “Actively protect” Tribal water rights, empower Tribes by adopting a portfolio of flexible tools

Cooperative Conservation Alternative

- Includes a “near-term climate response trend” and “taking a multi-benefit approach” to environmental programs

Academic Proposal

- “Create more annual Powell release flexibility”



Lower Basin Objectives

- Improve the sustainability
- Increase predictability of reductions
- Address the structural deficit
- Share the risks and benefits



UB/LB Proposals Comparison

Some similarities:

- Evaluate system reservoir contents
- Use percentage capacity triggers for conservation efforts
- Capture zones of reduction, with a static zone, to create more certainty

Key Differences	Lower Basin	Upper Basin
System contents	Several key reservoirs	Only Powell and Mead
Conservation triggers, up to 1.5M acre feet	Start at 69%	Start at 90%
Conservation efforts, up to 3.9M acre feet	Sharing begins at 38%	Lower Basin only

What comes next

- Continued negotiation among the basin states
- Two primary options
 - Consensus agreement
 - Interstate litigation



Arizona is also planning for contingencies if consensus isn't reached

ADWR Director asking for \$1M “set-aside appropriation” for litigation if no sufficient post-2026 agreement is reached

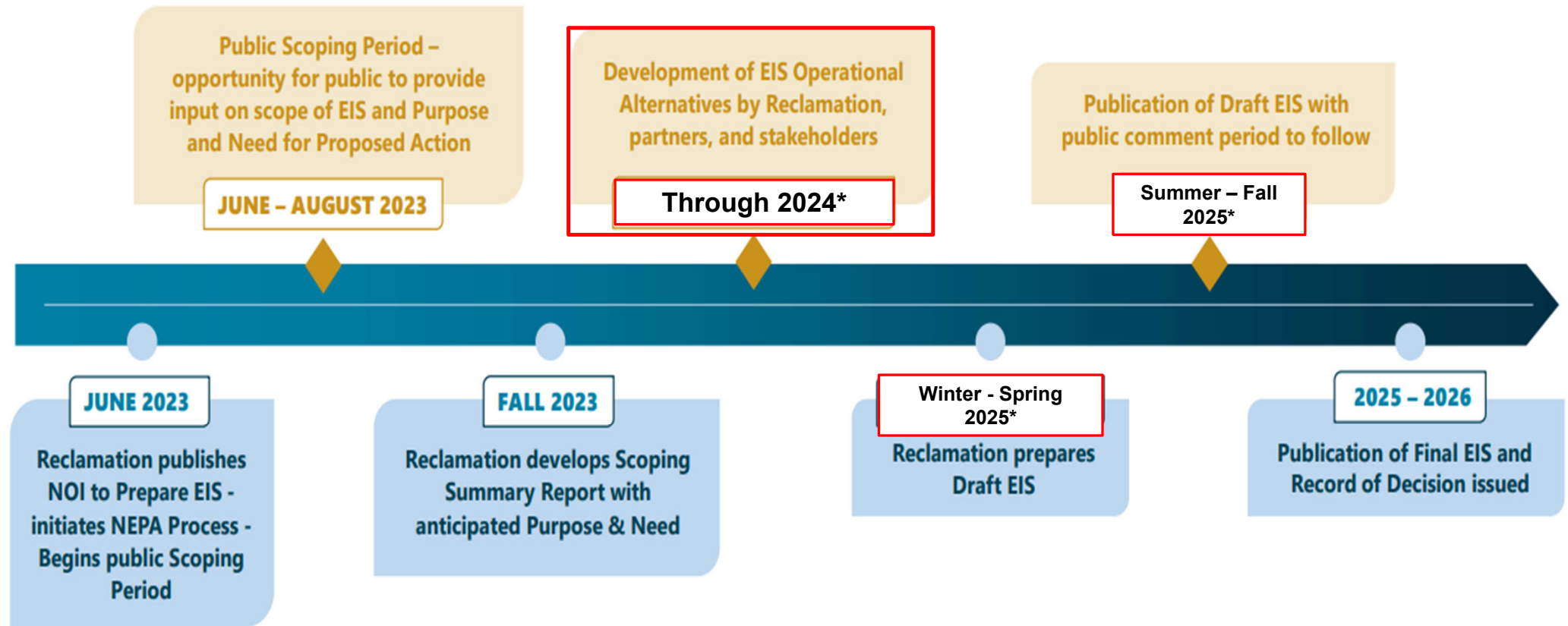
- “It is a *significant commitment to demonstrate Arizona’s commitment to protecting its entitlement* ... there is a *significant possibility* that this process could result in litigation between the states”

Arizona advocating for UB/LB split of total reductions

- “*We don’t want war, we want peace* ... we want a collaborative solution ... we can’t come to a place where Powell is 3/4 full and Mead is essentially empty”



Process timing

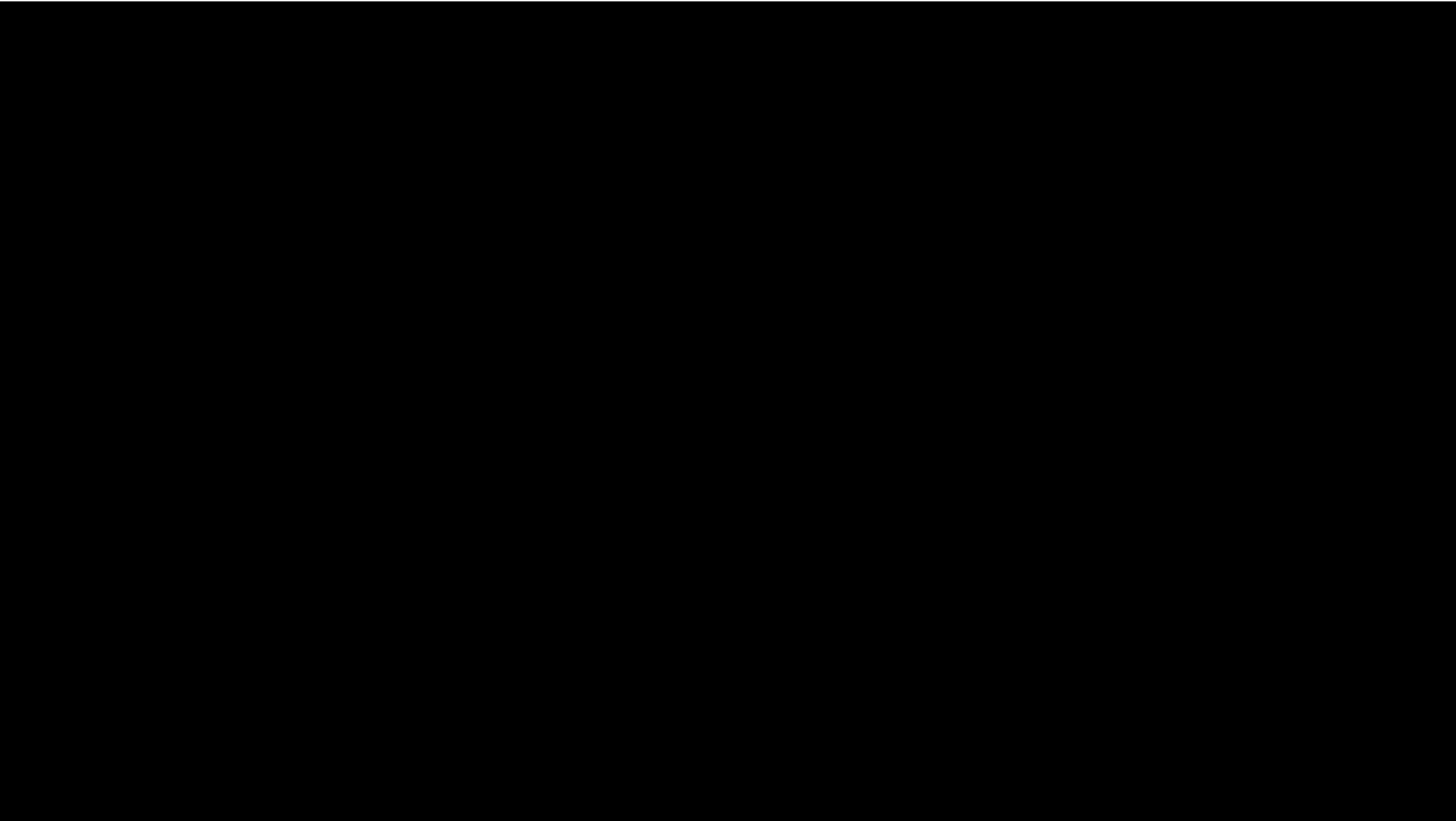


What does it mean for SRP?

- Power generation and hydropower
- Exchanges and Partnerships
- Common customers
- Regional impact



Thank You



Verde Reservoirs Sediment Mitigation Project and SCIF Project Updates

Water Committee

November 19, 2024

Kyle Tilghman

Agenda

- VRSMP Updates
- SCIF Updates
- Alignment with Corporate Goals

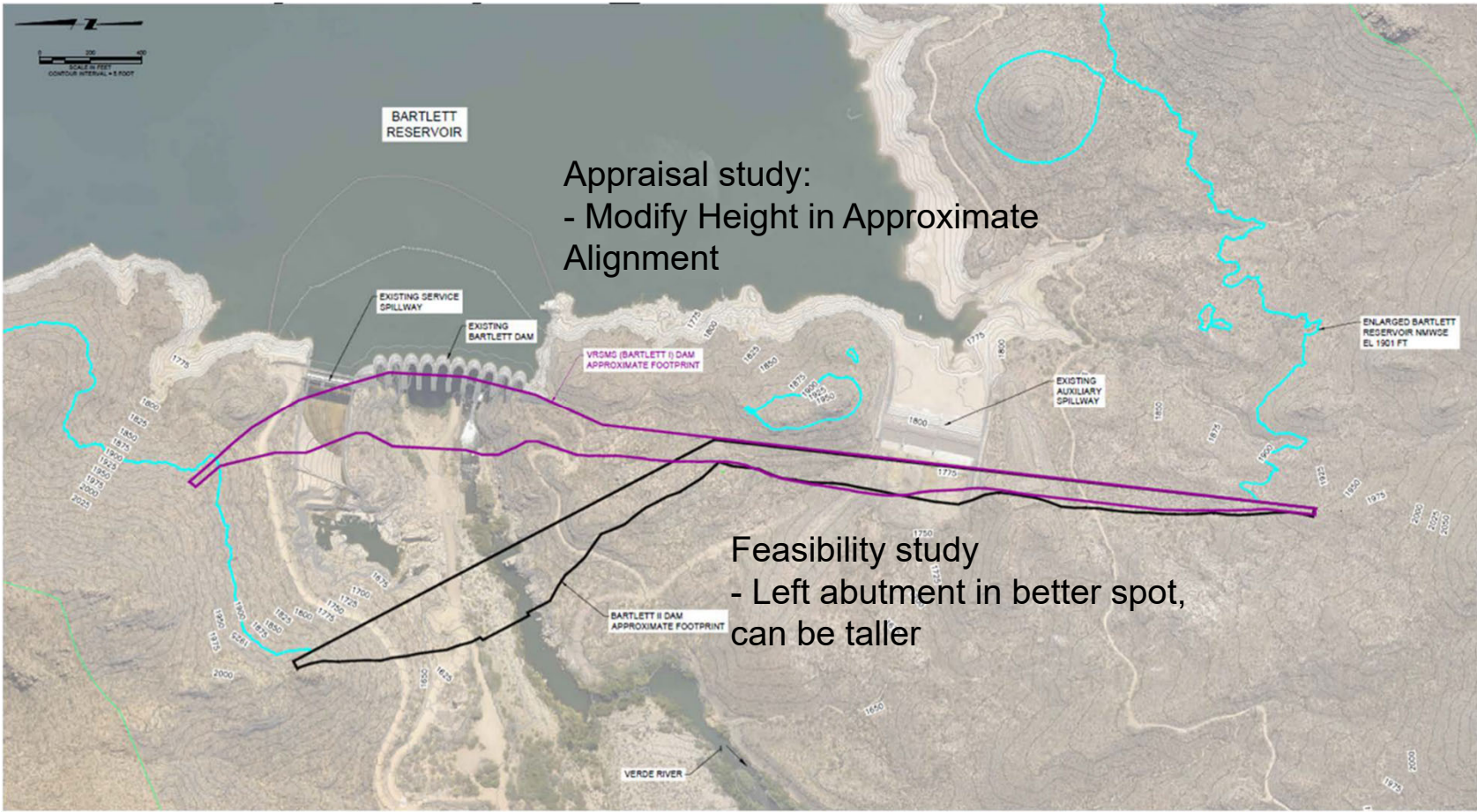
Verde Reservoirs Sediment Mitigation Project (VRSMP)

Feasibility Study Alternatives

- No action alternative
- Non-structural alternative
 - Horseshoe and Bartlett Dams remain in place without modification; SRP dredges and sluices sediment
- Option 1: 101.8 ft raise
 - Estimated minimum of 650,000 AF total storage
 - ~328,000 AF of New Verde Storage
- Option 2: 60.8 ft raise
 - Estimated 402,000 AF total storage
 - ~80,000 AF of New Verde Storage
- Creates opportunities to:
 - Restore lost capacity and create new capacity
 - Manage habitat in Horseshoe Reservoir
 - Mitigate future sediment impacts
 - Add flood control capacity and/or outlet works
 - Enhance recreation opportunities

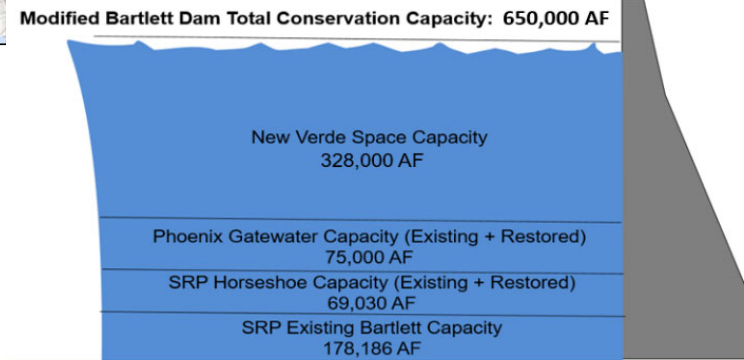
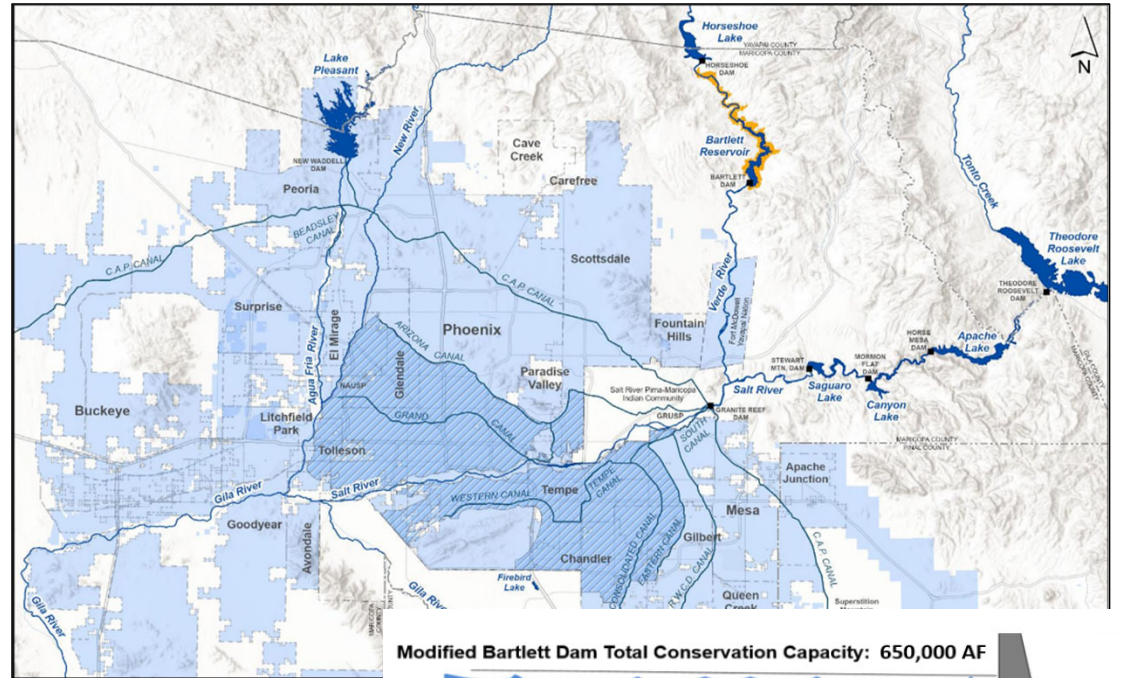


New Dam Alternative – Progression of Alignments



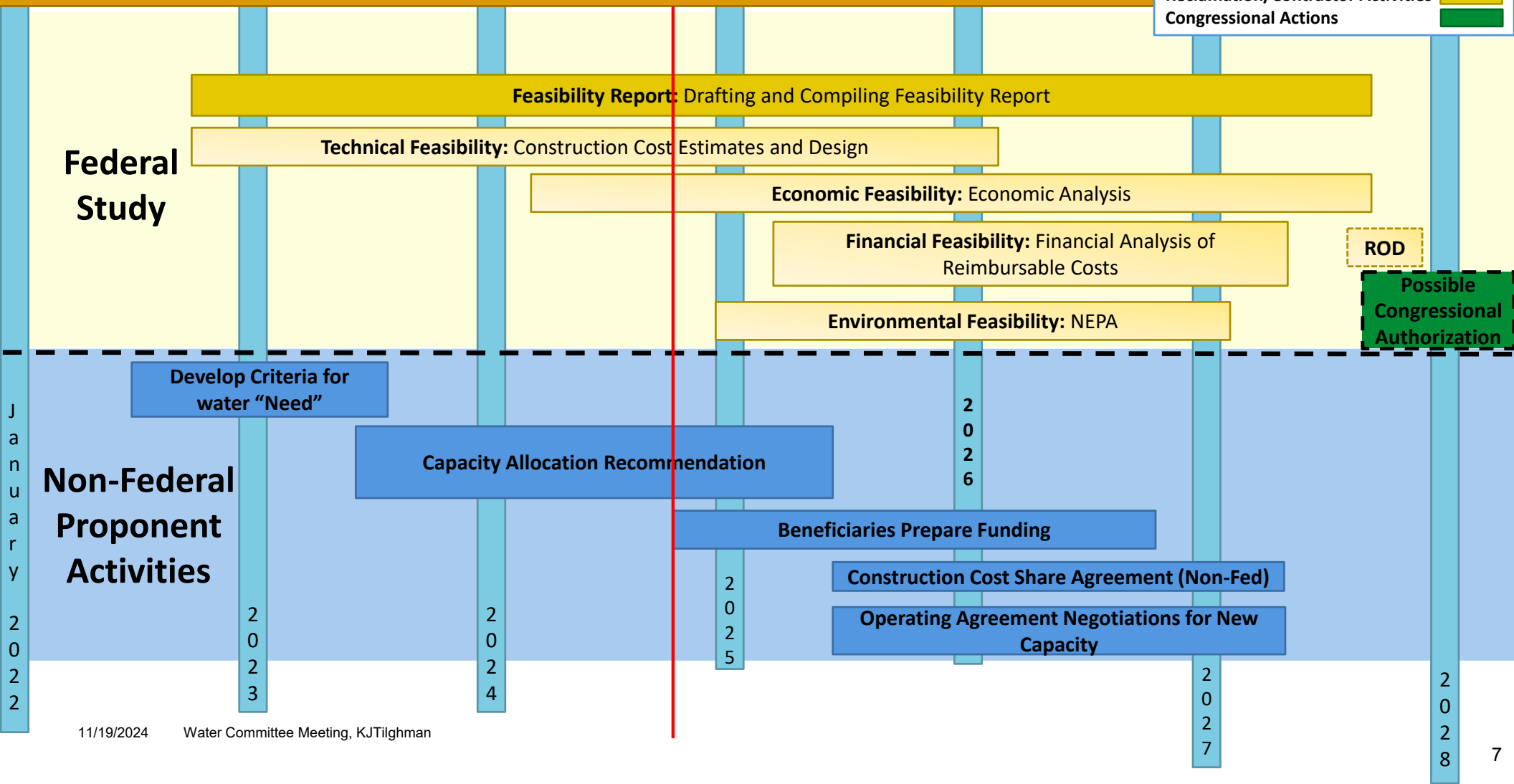
VRSMP Cost-Share

- Requires minimum 50% non-federal cost share
- Cost share agreement between Reclamation and SRP
 - Support non-federal funding requirements
 - Support study with technical information
- Non-federal cost share agreement among 23 non-federal partners (Steering Committee)



Verde Reservoirs Sediment Mitigation Project Feasibility Study Integrated Timeline

Key:
 Steering Committee Activities █
 Reclamation/Contractor Activities █
 Congressional Actions █



Trial Quarry



**SRP-CAP
Interconnection
Facility Project
(SCIF)**

SRP – CAP Interconnection Facility (SCIF)



Jointly funded project to move non-project water stored in SRP reservoirs and underground storage facilities through the CAP canal

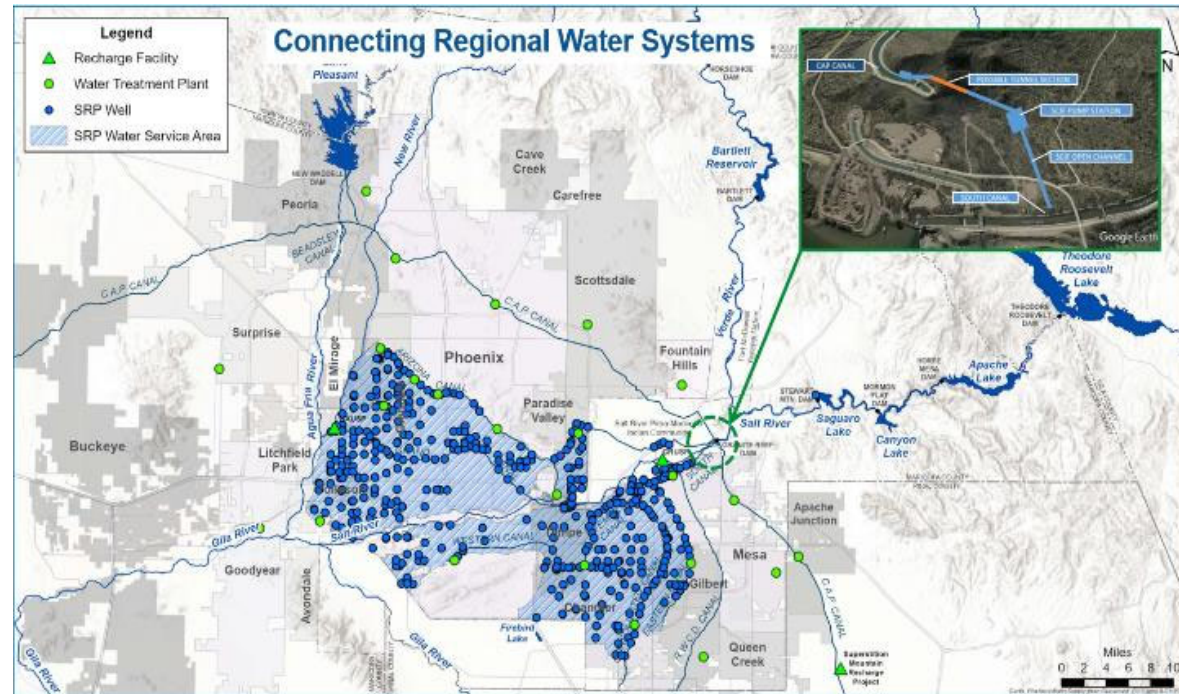
SCIF Project Benefits

Strategic interconnection for increased regional operational flexibility:

- Physically connects SRP to CAP
- Facilitate delivery and use of non-SRP project water supplies through direct delivery and exchanges
- Facilitate firming of existing supplies and water supply augmentation

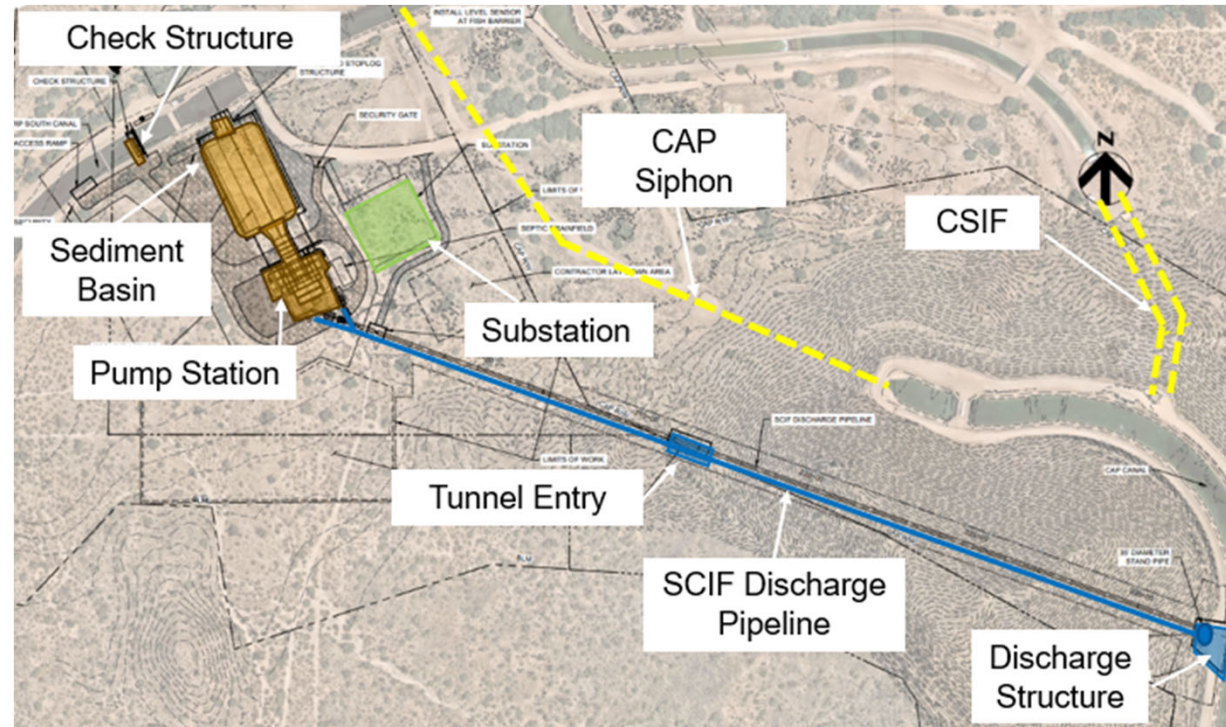
Improved ability to transport Non-SRP Project Water from SRP System to CAP System:

- Modified Roosevelt Temporary Deviation Space
- Modified Roosevelt New Conservation Space
- Recovered Long Term Storage Credits (LTSCs)
- Phoenix Horseshoe Gatewater

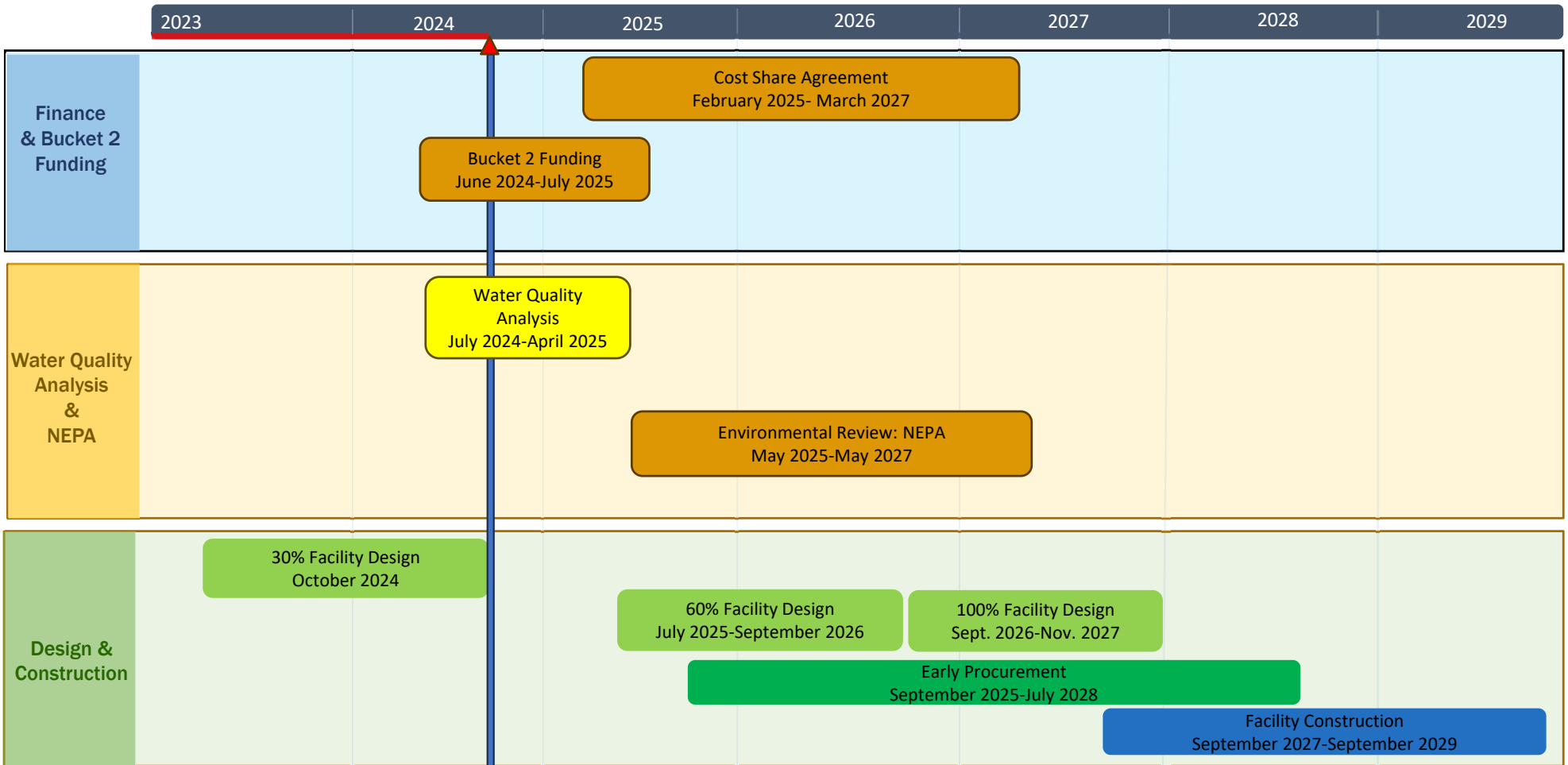


Project Status

- Completion of 30% engineering design and begin 60% design
- Determine federal funding under Phase 2 of the Lower Colorado River Basin System Conservation and Efficiency Program
- Stakeholder engagement discussions on water quality with CAP
- NEPA Scoping Notice to be issued in Spring 2025



Schedule



Water Strategy's Alignment with Corporate Goals

- Enhance water resiliency within central Arizona, by leveraging SRP's leadership, strong history, and water infrastructure in the region

Corporate 2035 Goals

- **Strategic Direction: Reliability**
 4. "Serve as a regional water infrastructure leader and strategic water recovery partner to ensure a resilient and sustainable water supply for our shareholders and customers and to address local and state water challenges"

HOW SRP'S STRATEGY WORKS TOGETHER



Next Steps

thank you!

