



**Central Arizona Water Conservation District
Regular Meeting of the Board of Directors
April 1, 2021**

The regular meeting of the Central Arizona Project ("CAWCD" or "CAP") Board of Directors was called to order by President Terry Goddard on April 1, 2021, at 10:01 a.m. The meeting was held virtually and broadcast for the public via livestream.

Board Members present were: President Terry Goddard, Maricopa County; Vice President Mark Taylor, Pima County; Secretary Alexandra Arboleda, Maricopa County; Lisa A. Atkins, Maricopa County; Jennifer Brown, Maricopa County; Karen Cesare, Pima County; Benjamin W. Graff, Maricopa County; Jim Holway, Maricopa County; Pat Jacobs, Pima County; Mark Lewis, Maricopa County; Heather A. Macre, Maricopa County; Jennifer Martin, Maricopa County; Stephen Miller, Pinal County; Marie Pearthree, Pima County; and April Pinger-Tornquist, Maricopa County.

Staff members present were Ted Cooke, General Manager; Robert Moody, Assistant General Manager; Jay Johnson, General Counsel; Bridget Schwartz-Manock, Director of Public Affairs; Patrick Dent, Director of Water Policy; Darrin Francom, Director of Operations, Power and Engineering; Chris Hall, Director of Finance and Administration; Laura Grignano, Manager, CAGR; Doug Dunlap, Manager, Finance and Accounting; Ken Seasholes, Manager, Resource Planning and Analysis; Chuck Cullom, Manager, Colorado River Programs; Jeff Gray, Manager, Legislative Affairs; Greg Adams, Senior Attorney; Angie Lohse, Senior Policy Analyst; Philip Pagels, Water Transmission Supervisor; Megan Casey, Public Affairs Management Analyst; and Jennifer Miller, Board Support Specialist.

Bridget Schwartz-Manock, Director of Public Affairs, performed a roll call and confirmed a quorum was present. President Goddard reviewed the details of the virtual meeting.

1. PLEDGE OF ALLEGIANCE, MOMENT OF SILENCE AND SAFETY MINUTE - BROWN

Board Member Brown gave a safety minute on sleep health.

2. PRESENTATION ON THE PINAL GROUNDWATER STAKEHOLDER GROUP - MILLER/BILL GARFIELD/JAKE LENDERKING, CO-CHAIRS

Board Member Miller gave a brief introduction and shared a video about Pinal County. Guest speakers Bill Garfield and Jake Lenderking, co-Vice Chairs of the Pinal County Groundwater Stakeholder Group, gave an overview of Pinal County water issues, the Stakeholder Group process, potential solutions and proposed changes to the Assured Water Supply program. Vice President Taylor expressed appreciation to the guest speakers. Board Member Holway shared comments on the potential solutions.

3. CONSIDERATION OF ACTION TO APPROVE ITEMS ON THE CONSENT AGENDA**

On a motion (Secretary Arboleda) and a second (Board Member Jacobs), approved the minutes of the March 4, 2021 regular meeting. Motion passed.

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Voting yes: Terry Goddard, Mark Taylor, Alexandra Arboleda, Lisa A. Atkins, Jennifer Brown, Karen Cesare, Benjamin W. Graff, Jim Holway, Pat Jacobs, Heather A. Macre, Jennifer Martin, Stephen Miller, Marie Pearthree, April Pinger-Tornquist

Not voting: Mark Lewis

4. CONSIDERATION OF ACTION TO APPROVE ITEMS REMOVED FROM THE CONSENT AGENDA

None.

5. REPORTS OF COMMITTEES AND POSSIBLE CONSIDERATION OF COMMITTEE RECOMMENDATIONS

5.a. PUBLIC POLICY COMMITTEE - BROWN

Board Member Brown gave an update on the April 1, 2021 Public Policy Committee meeting. She reported the Committee heard updates on federal confirmations and legislation and the state legislative session.

5.a.i. POSSIBLE CONSIDERATION OF ACTION ON POLICY ISSUES THAT COULD IMPACT CAP

None.

5.b. FINANCE, AUDIT AND POWER COMMITTEE - TAYLOR

Vice President Taylor gave an update on the March 18, 2021 FAP Committee meeting. He reported the Committee heard updates on power programs, capital improvement projects, purchasing policy thresholds and internal audits. He noted staff held a roundtable meeting with customers on the Supplemental Shortage Stabilization Program, and shared agenda topics planned for the next meeting.

5.c. CAGRD AND UNDERGROUND STORAGE COMMITTEE - ARBOLEDA

Secretary Arboleda gave an update on the March 18, 2021 CAGRD Committee meeting. She reported the Committee heard updates on NIA reallocation, recovery planning and CAGRD finances. She shared the topics planned for the next meeting.

6. REPORT ON MARCH 16, 2021 ARIZONA WATER PROTECTION FUND COMMISSION MEETING - JACOBS

Board Member Jacobs gave an update on the March 16 meeting, noting the topics covered. He reported on funding and shared the details of the next meeting.

7. REPORT ON MARCH 17, 2021 ARIZONA WATER BANKING AUTHORITY MEETING - ARBOLEDA

Secretary Arboleda gave an update on the March 17 meeting, noting the topics covered. She reported on recharge deliveries and long-term storage credit purchases, and shared the details of the next meeting.

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8. REPORT ON PREPAREDNESS FOR INTERRUPTION OF ELECTRICAL SUPPLY (PROJECT RELIABILITY^) - FRANCOM

Darrin Francom, Director of Operations, Power and Engineering, shared details on the causes of the recent electrical supply issues in Texas. He reported CAP is well-positioned to respond to and minimize any impacts to the CAP electrical supply as a result of similar disasters, noting CAP's stored water, diverse sources of energy and the flexibility of energy use at Mark Wilmer Pumping Plant.

Mr. Francom answered questions from President Goddard, Vice President Taylor and Board Members Lewis and Cesare regarding electrical supply to pumping plants, risks for CAP, customer impacts, summer preparedness, day-ahead energy market purchases and CAP's energy transition. Mr. Francom and General Manager Ted Cooke answered questions from Board Member Lewis regarding system water storage and power portfolio diversification.

9. DISCUSSION OF WATER QUALITY GUIDANCE DOCUMENT - SEASHOLES/PAGELS

Ken Seasholes, Resource Planning and Analysis Manager, reported on the status of the Water Quality Guidance Document and noted staff feels the document is suitable for implementation. He noted stakeholder input was received on the document, and there will be further opportunities for input and evaluation as wheeling projects move forward. President Goddard commented on the comprehensive process that led to the document.

Catherine Munson, attorney with Kilpatrick Townsend on behalf of the Ak-Chin Indian Community, submitted an electronic blue card in opposition to the draft Water Quality Guidance Document.

Mr. Seasholes and Patrick Dent, Director of Water Policy, answered questions from President Goddard, Secretary Arboleda and Board Member Jacobs regarding salinity standards, figures included in the blue card and environmental review processes.

10. RECESS

The Board recessed at 12:14 p.m. and reconvened at 12:34 p.m. Ms. Schwartz-Manock performed a roll call and confirmed a quorum was present.

11. REPORT ON COLORADO RIVER CONDITIONS (WATER SUPPLY^) - CULLOM

Chuck Cullom, Colorado River Programs Manager, gave an update on the status of the reservoirs in the Colorado River System, snow accumulation forecasts and projected elevations for Lakes Powell and Mead. Mr. Cullom answered a question from Board Member Pearthree regarding Lake Powell releases.

12. DISCUSSION OF AGREEMENT BETWEEN CAWCD AND THE BUREAU OF RECLAMATION REGARDING THE 242 WELL FIELD AND PIPELINE CONSERVATION PROJECT - CULLOM

Mr. Cullom provided background on the 242 Well Field Conservation Project and CAP's interest in the area. He reported on the existing agreement, current status of the project and key terms of the new agreement. Mr. Cullom answered questions from Vice President Taylor and Board Members Jacobs and Pearthree regarding return flow, the origin of the water in the well field, and the effects on the Cienaga de Santa Clara.

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13. REPORT ON RECLAMATION EFFORTS AND PLANS TO ACHIEVE DROUGHT CONTINGENCY PLAN CONTRIBUTIONS - CULLOM/DAN BUNK, BUREAU OF RECLAMATION

Mr. Cullom provided an introduction regarding CAWCD's support for Reclamation's commitments under the Drought Contingency Plan (DCP). Dan Bunk, Chief of Boulder Canyon Operations Office, Bureau of Reclamation, gave a presentation on the status of Reclamation's DCP efforts. Board Member Pinger-Tornquist requested copies of the maps in the presentation.

14. REPORT ON RECONSULTATION ACTIVITIES - DENT

Mr. Dent shared a recent update provided to the Arizona Reconsultation Committee (ARC) that included details on coordination activities among the Basin states and the creation of the ARC Strategy Team. He reported on recent meetings of the ARC Modeling and Analysis Workgroup and shared an update on the newly-created Colorado River Authority of Utah.

15. REPORT ON NIA REALLOCATION - DENT

Mr. Dent reported on a March 2 briefing for parties that have been allocated CAP non-Indian agricultural (NIA) priority water and noted that staff is preparing standard form templates for NIA subcontracts for the Board's consideration.

16. REPORT ON PREPARATION FOR POSSIBILITY OF TIER 1 SHORTAGE IN 2022 (WATER SUPPLY^) - DENT/SEASHOLES

Mr. Dent reported on an upcoming Shortage Preparation Briefing that will be jointly hosted by CAP and the Arizona Department of Water Resources on April 29. Mr. Seasholes gave a presentation on how mitigation resources will be used as shortage is implemented in 2022. He also provided status of CAWCD's intentionally-created surplus (ICS) utilization and additional factors affecting mitigation.

Mr. Seasholes answered questions from Vice President Taylor and Board Member Jacobs regarding transfers from underground storage facilities to groundwater savings facilities for agricultural mitigation, groundwater infrastructure in Pinal County, and ICS.

17. REPORT ON LEGAL MATTERS (PUBLIC TRUST, PARTNERSHIPS AND LEADERSHIP^) - JOHNSON

None.

18. DIRECTORS' REPORT ON CURRENT EVENTS

Vice President Taylor, Secretary Arboleda and Board Members Brown, Cesare, Graff, Holway, Lewis, Macre, Miller, Pearthree and Pinger-Tornquist shared updates on recent CAP activities.

19. FUTURE AGENDA ITEMS

Board Member Lewis requested multiple options for the upcoming process to establish water rates.

20. PRESIDENT'S REPORT ON CURRENT EVENTS - GODDARD

President Goddard shared maps of the CAP Trail and gave an overview of the two-step approach for action items coming before the Board. He reviewed the upcoming schedule.

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21. GENERAL MANAGER'S REPORT ON CURRENT EVENTS - COOKE

Mr. Cooke reported on the items that will be on the consent agenda for the next meeting, including the renewal of a water storage agreement for the Town of Gilbert and a construction contract for backup power at checks and turnouts. He also gave an update on implementation of the Board Strategic Plan and Arizona Water Professionals Week.

22. PUBLIC COMMENT

None.

23. CONSIDERATION OF ACTION TO GO INTO EXECUTIVE SESSION OF THE BOARD FOR THE FOLLOWING PURPOSES: PURSUANT TO A.R.S. §38-431.03.A.4, DISCUSSION AND CONSULTATION WITH THE ATTORNEYS FOR DISTRICT IN ORDER TO CONSIDER ITS POSITION AND INSTRUCT IT ATTORNEYS REGARDING A PENDING ARBITRATION MATTER; AND PURSUANT TO A.R.S. §38-431.03.A.3 AND A.4 TO CONSULT WITH THE ATTORNEYS FOR THE DISTRICT AND CONSIDER THE DISTRICT'S POSITION AND INSTRUCT ITS ATTORNEYS REGARDING POTENTIAL COLORADO RIVER AUGMENTATION PROJECTS AMONG LOWER BASIN COLORADO RIVER WATER USERS; AND PURSUANT TO A.R.S. §38-431.03.A.1 TO DISCUSS MATTERS PERTAINING TO THE GOALS, PERFORMANCE AND CONTRACT OF THE GENERAL MANAGER; AND PURSUANT TO A.R.S. §38-431.03.A.3 TO OBTAIN LEGAL ADVICE FROM THE DISTRICT'S ATTORNEYS ON ANY MATTER LISTED ON THE AGENDA

On a motion (Vice President Taylor) and a second (Secretary Arboleda), the Board convened in Executive Session at 2:58 p.m. for the purposes listed on the agenda. Motion passed.

Voting yes: Terry Goddard, Mark Taylor, Alexandra Arboleda, Lisa A. Atkins, Jennifer Brown, Karen Cesare, Benjamin W. Graff, Jim Holway, Pat Jacobs, Mark Lewis, Heather A. Macre, Jennifer Martin, Stephen Miller, Marie Pearthree, April Pinger-Tornquist

24. RECONVENE IN OPEN SESSION

The Board reconvened in open session at 4:32 p.m. Ms. Schwartz-Manock performed a roll call and confirmed a quorum was present.

25. CONSIDERATION OF ACTION REGARDING ITEMS DISCUSSED IN EXECUTIVE SESSION

None.

26. ADJOURN

There being no further business to come before the Board, the meeting adjourned at 4:38 p.m.

DocuSigned by:



Alexandra M. Arboleda

Board Secretary