July 28th, 2020 Municipal Subgroup Meeting Questionnaire Responses

These are responses collected from a questionnaire distributed during the July 28, 2020, Municipal Subgroup Meeting.

(*Note: Different colors are different responses)

<table>
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<th>Do you think it would be useful to have different implementation requirements by tier for some BMPs? Please refer to the image for an example.</th>
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<td>Not if you already have increased the number of BMPs for each tier. Having both a larger number of BMPs per tier AND increased implementation requirements in each BMP is difficult to follow.</td>
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| No, it would not be useful to have different implementation requirements by tier for the measures and BMP’s. To keep things as simple as possible and completely focused on effective regulation, I think it is important to very clearly define the minimum required to receive “credit” for achieving a measure. This minimum needs to be clearly defined and consistent, so that everyone is on the same page regarding what it means, at the minimum, when it is reported that a utility is implementing a specific measure. The biggest issue for me, however, when it comes to setting different minimums for each tier is that without an evidence-based rationale for each minimum, it may add complication without adding to the effectiveness of the water conservation programs and efforts. In the image provided as an example, the changing minimum requirements assumes that to be more effective with outreach and marketing, one needs to broaden the methods of advertising media and broaden the scope of outreach. However, in reality the most effective marketing outreach strategies will differ depending on the service area for the utility. And the messages one utilizes within each media and for different target audiences is just as important, if not more so as a simple count of how many times you’ve reached. For example, Tempe found last year that group message emails with embedded personal information is very effective for helping us increase program participation in our conservation programs. Because of that finding, we have focused this year on using this methodology more frequently and running tests to figure out the best messages for different target audiences utilizing this specific marketing medium. If we followed the sample provided above, we would be encouraged to just diversify the advertising media without regard to the effectiveness of that media. In other words, just because you use three different methods of advertising or even “reach” a wider audience, doesn’t mean that you are more effective at spreading the conservation messaging nor does it mean that that message is being well-received. For the SMP, it is really important that utilities are challenged to be as effective as possible, tie efforts to water savings whenever possible. For education and public information programs that are not as easily linked to water savings, we need to set minimum requirements, sure, but we should not otherwise get too mired in the details that aren’t proven to be more effective and/or might be outside of our realm of expertise to determine what is effective (hence our day-to-day collaborations with marketing professional and Public Information Officers, as well as tracking of results through trial and error). Please review the AMWUA recommendations for making this essential, yet difficult to measure, basic education program component more challenging. We propose that this section be fleshed out to include the essential components that EVERY water conservation program should have, regardless of their tier. We have carefully gone through all the 4MP BMPs and suggested which ones are of an “essential quality.” We’ve also moved some programs that are important, but more dependent on the characteristics of a service area, to a new basic education program “supplemental” category. This provides the opportunity for utilities to customize education programs based on their unique service area. By asking higher tiers to implement more of these supplemental programs than the lower tiers, it also encourages utilities with the means to expand and target their public information/engagement efforts to truly reach more customer groups, rather than arbitrarily increasing the number of existing outreach strategies. The Best Management Practices can then be focused on practices that promote water savings or reduce waste. And these also need spelled out minimums. And similarly, these measures cannot get too mired in the details of assigning points or upping requirements from a regulatory perspective, because the real measure of success will be defined in terms of water savings. Utilities need to be tracking actual water reductions or estimated water waste avoidance as a result of implementing these measures. And they will need to flexibility to adapt the day-to-day implementation of these measures in real-time, depending on the results of their processes and methods. While we understand the desire for some utilities to have different implementation requirements by tier for some BMPs, Scottsdale believes this is not in the best interest of the BMP program. By nature, BMPs are what their title says – a “best
management practice”. They should therefore be designed and written in a way that meets industry-wide agreements on what constitutes a best practice. Anything less and we risk creating a BMP that is diluted or cannot measure up to other programs across the nation. Additionally, we know it is ADWR’s hope to have a streamlined reporting process that will allow for better data extraction and analysis. Allowing for different implementation levels means pulling from smaller reporting pools for the BMPs and a more complicated CER. In this moment, what Arizona needs most is more data about water conservation, and the best way to provide that data is to require the same standards for every provider. If a provider feels like it cannot meet those standards, there are other BMPs to choose from. For a provider who feels that they go “above and beyond” the best management practice, Scottsdale supports the “Beyond Compliance” concept proposed by AMWUA. Between these two solutions, we can hold all utilities to industry standard requirements while also encouraging and promoting outstanding performance above the base compliance.

We appreciate that the proposal to have different implementation requirements by Tier provides an opportunity to scale up the rigor/difficulty of a BMP for larger utilities. Nevertheless, we feel that it is problematic to stretch the applicability of a single BMP to fit four different classes of water provider. Having different levels of implementation within a single BMP can dilute the nature of the BMP itself. A “Best Management Practice” should be an industry-wide standard that is commensurate with Arizona’s history of leadership in water management. The example of “1.1 Local or Regional Conservation Campaign” illustrates that when trying to fit the BMP across Tiers, a Tier 1 utility could achieve compliance through very rudimentary measures, such as mailing a single set of brochures, or posting a paragraph on its website. Rather than risk weakening a BMP to accommodate a smaller utility, we feel that by focusing on the quantity of required BMPs based upon Tier size, smaller water providers can have the flexibility to achieve compliance, without compromising the quality of any individual BMPs. We also have a concern that including different implementation requirements by Tier for some BMPs may place an unnecessary administrative burden on ADWR, particularly with regards to unstandardized annual reporting.

The Town of Gilbert understands the proposal to have different implementation requirements by Tier that may scale up the difficulty of achieving a BMP. However, this strategy may not translate well to practical implementation of the BMP by lessening the effectiveness of a conservation measure simply based on a utility’s number of connections. A “Best Management Practice” should be an industry-wide standard that is commensurate with Arizona’s history of leadership in water management. The example provided of “1.1 Local or Regional Conservation Campaign” displays a potential lack of clarity in the effectiveness of a BMP by separating into points by Tier. Both smaller and larger utilities can simply have some vehicle magnets and a website and still accomplish the BMP without truly accomplishing the goal of a ‘Campaign’ relative to the size of the service area. Rather than risk weakening a BMP, Gilbert feels that by focusing on the quantity of required BMPs based upon Tier size, smaller water providers can have the flexibility to achieve compliance based on selection of specific BMP’s, without compromising the quality of any individual BMPs. Gilbert agrees that certain BMP’s need to be split somehow into 2 or 3 ‘levels’ depending on the quantity of customers reached in the BMP’s implementation. We suggest providing an additional one or two similar BMP’s with the same fundamental goal, but allowing the BMP to be ramped up or scaled to the level necessary for the characteristics unique to the utility’s service area. For example 1.1 may include 2 BMP’s such as 1.1 Local or Regional Conservation Campaign: Basic; 1.2 Local or Regional Conservation Campaign: Advanced. The ‘Advanced’ category would require a higher quantity or diversity of customer reached, along with stricter analysis of data to measure effectiveness. This allows a larger utility to scale up marketing in an effort to promote the goal of a specific BMP, but also allows a smaller utility to do the same if identified as the best allocation of resources. The quantity of BMP’s would still indicate the level of implementation appropriate to the resources available to a utility, and allow more flexibility for utilities to select the best BMP’s for their service area, while easing ADWR’s annual reporting analysis.

AMWUA appreciates that the proposal to have different implementation requirements by Tier provides an opportunity to scale up the rigor/difficulty of a BMP for larger utilities. Nevertheless, AMWUA feels that it is problematic to stretch the applicability of a single BMP to fit four different classes of water provider. Having different levels of implementation within a single BMP can dilute the nature of the BMP itself. A “Best Management Practice” should be an industry-wide standard that is commensurate with Arizona’s history of leadership in water management. The example of “1.1 Local or Regional Conservation Campaign” illustrates that when trying to fit the BMP across Tiers, a Tier 1 utility could achieve compliance

This information was gathered by the Arizona Department of Water Resources.
through very rudimentary measures, such as mailing a single set of brochures, or posting a paragraph on its website. Rather than risk weakening a BMP to accommodate a smaller utility, AMWUA feels that by focusing on the quantity of required BMPs based upon Tier size, smaller water providers can have the flexibility to achieve compliance, without compromising the quality of any individual BMPs. AMWUA also has concern that including different implementation requirements by Tier for some BMPs may place an unnecessary administrative burden on ADWR, particularly with regards to unstandardized annual reporting.

Yes, different implementation requirements by tier is appropriate.

Yes.........smaller utilities do not have the resources that large utilities have. And I am concerned that the ACC may not allow rate increase to cover these types of things.

Do you support the inclusion of a “Planning” category for BMPs related to integrated water and land use planning or other types of planning?

9 responses

- Yes: 77.8%
- No: 11.1%
- Needs to be better defined. Is it about making plans or implementing plans, zoning requirements or building permits?: 11.1%
- I’m not sure how these could be tied to water savings. Maybe this would be more appropriate to address in the Annual Report or in the Water Resou...

Please explain your answer here:

Scottsdale supports the “Sustainable Water Governance” category proposed by AMWUA. This category not only supports BMPs for integrated water and land use planning, but also demand management and water resource and utility planning.

Giving credit for future thinking towards conservation and demand management is critical to a sustainable water strategy.

As part of AMWUA, we support the inclusion of integrated water and land use planning, especially the incorporation of demand management/conservation into water resource and utility planning. We feel that our proposed “Sustainable Water Governance” Category is similar to this proposed addition, and that it would encapsulate ordinances, rate structures, and other planning related BMPs.

Gilbert supports the inclusion of integrated water and land use planning, especially the incorporation of demand management/conservation into water resource and utility planning. We would be curious to know how it would differ from the “Sustainable Water Governance” category that AMWUA has proposed or what specifically would be included in this category.

Smart growth which requires work with planning, and/or general plan updates that include water allocation within different land uses, incorporates conservation into planning rather than after the fact.
Yes only if it can be demonstrated that there is a water conservation benefit. For example, flood control planning that increases recharge

Planning costs money......it isn’t free.....it is the first step in determining the best options/direction

If you answered “Yes” above, what type of integrated water and land use BMPs would you like to see?

What type of other planning BMPs would you like to see?

In the Prescott AMA, Prescott, Prescott Valley and Chino Valley all provide operating funds for the Upper Verde River Watershed Protection Coalition. The Coalition is working on regional water conservation, low (water) impact development proposals, and watershed restoration to improve natural recharge. The last two items were outlined in the Coalition’s Watershed Restoration Plan document, so we are really working on the implementation phase rather than planning.

Integrated water and land use is one of the next frontiers of water conservation. However, this concept is underdeveloped and therefore in uncharted territory. To effectively create best management practices about land and water use, we must first gather data on land and water use. Scottsdale would support BMPs that encourage gathering and synthesizing this preliminary data, such as obtaining land classification studies or determining and implementing a standard industrial classification code specifically for water conservation. Once a utility has this information and it is standardized, then Scottsdale would support integrated BMPs. Those higher-level BMPs are not useful without the base layer of information, which most utilities do not currently possess. Utilities could then use these BMPs as impetus to gather funding and support for these types of programs.

This category could potentially allow for some innovative approaches to land use planning to stretch existing water resources rather than augmenting supplies (especially augmentation supplemented by groundwater-based supply acquisition). If this is the intent, then greater specificity is needed in the BMP’s as to what would constitute ‘integrated’ planning. All utilities plan for allowable development to some extent based on water supplies through basic zoning. These BMP’s may require a stricter approach. An example would be a planning measure that requires a new development to ‘offset’ a portion of their water consumption by supporting conservation measures in existing development. Another example would be a ‘water budget’ approach where certain development has a soft cap on total annual water use to firm the conservation of existing water supply

policies for development, new construction ordinances, green infrastructure requirements, stormwater capture requirements, landscape/Xeriscape requirements

Land use is dictated by the jurisdiction, not the water company. The ability to provide integrated water and land use planning needs to be lead by the jurisdiction. Water companies have no real say in how the land is used, but jurisdictions do have that ability.
Are you in favor of each BMP being treated as equal (in terms of points)? Or would you prefer that certain BMPs be worth multiple points?

10 responses

- 40% of responses support treating all BMPs equally in terms of point values.
- 10% support assigning certain BMPs multiple points.
- 50% support some kind of hybrid of the two, where a utility can have a diverse set of BMPs weighted differently based on effort, time, and complexity.

Please explain your answer here:

Scottsdale supports each BMP being worth 1 point. While Scottsdale understands that certain BMPs may take more time or effort, that is not necessarily reflective of water savings. To meet the goal of reducing withdrawals of groundwater, we must quantify water savings. At this point, for many BMPs, those water savings numbers are unknown—we lack the data. Until we can gather that data, it is more prudent to leave each BMP at 1 point and instead incentivize a variety of BMPs. This variety should be connected to the utility’s demographics. For example, in Scottsdale our SFR customer base is generally older with fewer children. Our commercial sector includes hotels, hospitals, and restaurants. Choosing BMPs that focus on adult programming as well as creating an audit/rebate program to target hotels and restaurants would be the most beneficial use of our BMPs. Having a robust youth education program may not be the most beneficial use for our service demographic. ADWR previously created a chart that aided utilities in selecting appropriate BMPs. Scottsdale proposes updating this chart and analyzing BMP selection with utility demographics. If a utility is not selecting BMPs that best serve its demographics, ADWR should ask the utility to select new BMPs.

As part of AMWUA we support focusing on quantity and diversity of BMPs, rather than a point system. We feel that it is prohibitively difficult to develop a thorough system of assigning point values to different BMPs. Consideration must be given to the effort, time, cost, and complexity of implementing a BMP, and the lack of data on BMP efficacy makes it difficult to assign points based upon potential water savings. In the future, when more data is available, it may be appropriate to weight BMPs by quantifiable water savings. However, until then, it would be more straightforward and effective to focus on incentivizing water providers to implement a diverse portfolio of BMPs that are suitable to the needs of each community.

Gilbert supports focusing on quantity and diversity of BMPs, rather than a point system. The value assigned to each BMP should be reflected in 1) The availability of the BMP as a compliance measure, and 2) the utility’s selection and full implementation of its requirements. Consideration must be given to the effort, time, cost, and complexity of implementing a BMP, and the lack of data on BMP efficacy makes it difficult to assign points based upon potential water savings. In the future, when more data is available, it may be appropriate to weight BMPs by quantifiable water savings. However, until then, it would be more straightforward and effective to focus on incentivizing water providers to implement a diverse portfolio of BMPs that are suitable to the needs of each community. Gilbert believes certain well-established BMP’s that have a high level of effectiveness may benefit from a ‘Level 1’ and ‘Level 2’ etc description. These
levels would allow a utility to expand an existing successful BMP to reach more customers while also allowing for a utility to start a BMP at a lower capacity to determine effectiveness in their specific area.

AMWUA supports focusing on quantity and diversity of BMPs, rather than a point system. We feel that it is prohibitively difficult to develop a thorough system of assigning point values to different BMPs. Consideration must be given to the effort, time, cost, and complexity of implementing a BMP, and the lack of data on BMP efficacy makes it difficult to assign points based upon potential water savings. In the future, when more data is available, it may be appropriate to weight BMPs by quantifiable water savings. However, until then, it would be more straightforward and effective to focus on incentivizing water providers to implement a diverse portfolio of BMPs that are suitable to the needs of each community.

We will defer to the majority, but credit for any BMP should relate to the level of difficulty for each BMP.

If it can be demonstrated that the BMP yields a greater conservation benefit, some things are more difficult and costly to implement, and should be recognized as being worth more.

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**Would you be in favor of including "Beyond Compliance" opportunities in the NPCCP?**

8 responses

- [ ] Yes (75%)
- [ ] No (12.5%)
- [ ] No, the State's role is to determine if you comply or you don't. This propsal seems more about bragging rights, that can be determined at the local level by GUAC (12.5%)
- [ ] It doesn't matter to small utilities. being compliant is a struggle. and, we won't have any real recognition for doing more than that

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**Please explain your answer here:**

Yes, Scottsdale supports “Beyond Compliance” opportunities. Currently utilities are not reporting their full suite of efforts in the CER. This is because the CER does not incentivize the utility to spend the extra time reporting on the BMPs as the CER only requires utilities to report a specific amount for compliance. This creates two problems: it does not properly showcase the effort of Arizona utilities, especially at the regional level, and it also leaves a gap in our database where we know providers are administering these programs but we aren’t receiving any data on those programs. If more utilities are reporting additional efforts, it not only elevates their personal standing (i.e. “compliant” versus “gold level”), it also adds information to the collective database. This will in turn help us draft higher-performing BMPs and continue elevating the standards of an effective conservation program to maximize water savings in the future.

By adding this distinction, there can be an incentive to go above and beyond for water conservation and inspire other utilities when programs produce positive outcomes.

We feel it is a valuable opportunity to incentivize performance above and beyond the minimum, without increasing the NPCCP requirements to a level that may be unattainable for some utilities. Creating this mechanism for recognition will
provide water providers leverage to support and grow their water conservation programs, ultimately reducing groundwater withdrawals. This “Beyond Compliance” option also may reduce under-reporting of BMP activities and allow the State of Arizona to showcase its leadership in water conservation & demand management.

Yes, Gilbert is in support of including “Beyond Compliance” opportunities in the NPCCP. We feel it is important to incentivize conservation efforts above and beyond the minimum. Creating this mechanism for recognition will provide water providers leverage to support and grow their water conservation programs as well as display their potential leadership in water efficiency statewide.

Yes, AMWUA is in support of including “Beyond Compliance” opportunities in the NPCCP. We feel it is a valuable opportunity to incentivize performance above and beyond the minimum, without increasing the NPCCP requirements to a level that may be unattainable for some utilities. Creating this mechanism for recognition will provide water providers leverage to support and grow their water conservation programs, ultimately reducing groundwater withdrawals. This “Beyond Compliance” option also may reduce under-reporting of BMP activities and allow the State of Arizona to showcase its leadership in water conservation & demand management.

It would be great to understand how this would be recognized to the public or elected officials. Is ADWR staff able to dedicate staff time to taking this on?

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Please refer to the Tier Proposals below. Do you have a preferred tier proposal? If so, which proposal? You can explore the proposals in more detail.

10 responses

- Proposal 1
- Proposal 2A
- Proposal 2B
- Proposal 3A / AMWUA
- Proposal 3B
- Keep 4MP Tiers
- Other

If you chose "Other", please explain how you think the tiers should be organized:

Scottsdale supports the 3A/AMWUA proposal, however it would like to suggest adding a tier 5 that is 100k+ connections.
## How can we improve these subgroup meetings?

The opportunity for engagement before meetings has been especially helpful for us to prepare and more actively participate in the 5MP Work Group meetings. We want to be a part of this important process and appreciate your collaboration with stakeholders. These questionnaires are also a great platform for feedback submission. Thank you!

You do a great job!

The open engagement between ADWR and AMWUA has been helpful and the members appreciate this interaction. These questionnaires are a great opportunity to expand that feedback. For improvements, Scottsdale suggests scheduling more time at the meetings to allow for “live” stakeholder feedback. It feels as if the meetings have been packed full of presentations and not as much commentary and discussion. This is likely because being exposed to so much information at once makes it difficult to think of questions on the spot about that new content. It would be helpful to receive the PowerPoints at least 3 working days before the meeting. This would give stakeholders the opportunity to thoroughly review and formulate questions that can then be discussed during the meeting.

If it would be possible to see some additional details of the agenda or presentation upcoming, then we would have the opportunity to prepare some more targeted and specific feedback during the meetings. Although this may slow down certain points in an agenda, it may be the exact areas we need to discuss more thoroughly if several stakeholders have thoughtful comments or questions.

1. Present recap of previous meeting in beginning  
2. Highlight decisions made in previous meetings  
3. Explain next steps and next decisions with timeline  

Greater explanations of the status quo before talking about proposed changes