



IRRIGATION & ELECTRICAL DISTRICTS ASSOCIATION OF ARIZONA, INC.

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GLEN VORTHERMS – PRESIDENT ROBERT VANHOFWEGEN – VICE-PRESIDENT NOEL CARTER – SECRETARY DONOVAN NEESE – TREASURER SHERI FARAG – AT-LARGE ELSTON GRUBAUGH – AT-LARGE

IEDA BOARD WORK SESSION MEETING MINUTES - Draft

June 12th, 2025 – 12:00 PM

A meeting of the Board of Directors of the Irrigation & Electrical Districts Association of Arizona, Inc. (“IEDA”) was held on June 12th, 2025.

The following IEDA Members attended the meeting:

Todd Angle – San Tan Irrigation District (Guest)
Mitch Basefsky – CAP
Heather Cole – APA (Virtual)
Sheri Farag – SRP
David Fitzgerald – AEPCO (Virtual)
Ed Gerak - IEDA Executive Director
Elston Grubaugh – Wellton-Mohawk (Virtual)
Daniel Herder – Clark-Hill
Stephanie Knight-Dubien – ABWC
Scott Lund – WAPA-DSW Acting Regional Manager
Adam McNally – SRP
Jason Moyes – Moyes, Sellers Hendricks (Virtual)
Paul Orme (Virtual)
Ken Saline – KR Saline & Associates (Virtual)
Scott Saline - TID, HVPD, Aguilla, Ocotillo
Meghan Scott – Scott & Rogers (Virtual)
Sheryl Sweeney – Clark-Hill
Robert VanHofwegen – ED8 (Virtual)
Glen Vortherms – MWD, IEDA Board President
Jeff Woner – KR Saline

President Vortherms called the meeting to order at 12:05 PM

Based on a roll call, a quorum was established.

Scott Lund, WAPA-DSW Acting Regional Manager was introduced. He provided a presentation to the group. Scott discuss the Parker-Davis Project remarketing process. Due to the requirement for only new customers without existing federal hydropower contracts, the remarketing received limited interest. The rewind of one of the generators will essentially preserve capacity for existing customers, even with the new entrant pool.

WAPA-DSW suffered approximately a 20% reduction due to DOGE efforts. Maintenance leaders and portfolio managers were especially hit hard. Thankfully, Energy Secretary Wright has expressed no further interest in downsizing the PMAs, but the reduction in force is impacting construction schedules. A discussion was had regarding what WAPA can do, sees as impediments, and how can IEDA help (with guardrails).

The 37% funding decrease to WAPA in the President's budget was tied to RRADS. We discussed how the JPA might be able to be used, as well as including equipment (like breakers) into the 10-year plan. Federal Acquisition Regulation (FAR) is a big impediment.

We thanked Scott for his time and all his dedicated work on behalf of the DSW customers.

Due to a conflict, Emily Rice with B3 provided an update on state issues. She provided an update on the 2025 Legislative session. Emily discussed the House Republican's efforts to pass a standalone budget package which lacks support from House Democrats, the Senate, or the Governor's office. She also discussed the anticipated Senate budget action, which does include bipartisan support and by-in from the Governor. Emily provided an update on key legislation, including HB2125 impacting the statute of limitations on contracts between irrigation and water conservation districts and municipalities and legislation related to rural groundwater management and ag-to-urban land conversions.

A motion was requested for approval of the minutes for May 20th, 2025. Sheri Farag made a motion to approve the minutes. Scott Saline seconded the motion. A vote was called for and the motion passed.

Mr. Gerak requested approval of the 990 draft for submittal. Mr. Gerak explained that due to our accounts working on a cash basis, there was revenue that was counted twice and that this year's submittal reconciles that error, resulting in the loss shown. Elston Grubaugh made a motion to approve the 990 for submittal. Scott Saline seconded the motion. A vote was called for and the motion passed.

Mr. Gerak provided an update to the board regarding federal issues in DC. The Big Beautiful Bill is consuming most of the air in DC. It remains to be seen how the Senate will deal with their version, as there are multiple items in the House version that they don't agree with. The timeline to get the Senate version to the President's desk by July 4th may be slipping.

Mr. Gerak flagged July 7th & 10th as important dates for IEDA. That is when the Energy & Water Appropriations bill subcommittee and full committee will hold hearings. Mr. Gerak confirmed with Congresswoman Lee's office that the joint request for the programmatic bill language was submitted by herself and 3 Republicans (2 of which are on E&W). Since the main play is appropriations, we might not see any movement on the introduced version of the bill, especially if it gets included in E&W.

Mr. Gerak was able to connect with Congressman Bigg's new LD. We discussed the Hoover Foundation Bill, as well as providing an overview of IEDA. Wildfire legislation, LIHEAP, FEMA and Governor Newsome (CA) were also discussed.

Mr. Gerak provided an update on other activities occurring on the Hill, including the President's (skinny) Budget, the Randolph Sheppard Act and an update on DOGE.

Regarding water, the Upper and Lower Basin are working on an alternative called the Natural Flow Alternative. Elston Grubaugh and Meghan Scott provided some details regarding the alternative. While both basins are working on this additional alternative, there isn't a consensus of the alternative to date.

On the power side, there is a lot of activity regarding nuclear lately, including SMRs and more traditional large units. Our neighbors are increasing their natural gas pipeline capacity, due to tariffs and economics. Canada has sufficient petroleum resources, and while Mexico does as well, they seem to be leveraging US resources in the development of new pipelines and generation units. Along those lines, Elston Grubaugh shared with the group that there is a proposed 30" pipeline from Buckeye to San Luis (Mexico), through Yuma. It would feed gas to a 660 MW natural gas generating plant, which would sell energy back into Yuma.

Mr. Gerak provided an overview of the financial situation. IEDA is actually ahead of budget on revenue collection. Based on some forecasting, it is possible for IEDA to end the year \$35K ahead of budget, which is equivalent to what we carried forward out of the reserves. If things hold, IEDA should end the year with \$233K in reserves.

Mr. Gerak updated the board regarding his upcoming trips.

An update was provided by the Public Power PAC of Arizona.

President Vortherms opened the floor to member comments. Mr. Gerak asked for feedback from the draft Annual Meeting agenda provided in the board packet.

The meeting was adjourned at 1:40 P.M.

In addition to the monthly meeting, IEDA held an informal meeting with WAPA-CRSP at 10:00 AM prior to the monthly IEDA meeting.

The following IEDA Members attended the meeting:

Rodney Bailey – WAPA-CRSP Regional Manager

Mitch Basefsky – CAP

Heather Cole – APA (Virtual)

Dennis Delaney – KR Saline

Ben Englby – AEPCO (Virtual)

Sheri Farag – SRP

David Fitzgerald – AEPCO (Virtual)

Ed Gerak - IEDA Executive Director

Elston Grubaugh – Wellton-Mohawk (Virtual)

Daniel Herder – Clark-Hill

Stephanie Knight-Dubien – ABWC

Adam McNally – SRP

Jason Moyes – Moyes, Sellers Hendricks (Virtual)

Jeff Ritter – CAP

Ken Saline – KR Saline & Associates (Virtual)

Scott Saline - TID, HVPD, Aguilla, Ocotillo

Meghan Scott – Scott & Rogers (Virtual)

Sheryl Sweeney – Clark-Hill
Glen Vortherms – MWD, IEDA Board President
Jeff Woner – KR Saline

President Vortherms called the meeting to order at 10:05 AM

Introductions were made and Brent Osiek & Rodney Bailey explained that they were in town to finalize the WAPA-CRSP contract with the White Mountain Apache Tribe.

During the meeting, we discussed staffing at WAPA (200 gone WAPA wide), the upcoming Annual Customer Meeting on June 17th, WAPA RECs policy update, and the impacts to construction due to the reductions in force. Chris Wright (DOE Secretary) seems not to be pushing for any more cuts at WAPA. With the departure of some key staff, Rodney is the new AMWG delegate and Jerry Wilhite is Alternate. Jerry may be the TWG delegate as well.

The meeting was opened up for questions, and Dennis asked a question regarding the IRSA and SEEMS issues and reserve requirements as it relates to Markets. Brent provided an overview of the GCDPA specific to the loss of 1/3 of the capacity at Glen Canyon Dam. According to the ROD, this capacity is usable in an Energy Emergency. It might be possible to tap into GCD during the 40 hours or so a year for a high market price situation.

Following the discussion on the GCDPA ROD, there was an interesting discussion on the value of hydropower, especially regarding capacity values. WAPA continues to attempt to educate people on the AMWG to the value of hydropower capacity. The value of ancillary services was also mentioned.

A request for an update on the smallmouth bass and possible bypass was asked. The technical team is looking at a possible August 1 to mid-October bypass. WAPA wrote a minority report (dissenting option). There was a request to receive the report. They didn't have an update on the thermal curtain.

Finally, an update on the WAPA-wide RECs policy was requested. It is in a holding pattern right now. An update to the GPCP would likely require a signed amendment for the different contract holders.

The meeting ended at 11:45 AM.