

ARIZONA WATER BANKING AUTHORITY
Final Minutes

September 20, 2000
Arizona Department of Water Resources

Welcome/Opening Remarks

All members of the Authority were present except Representative Gail Griffin.

Approval of Minutes of June 21 and June 28 Meetings

The Authority approved the minutes from the June 21 and June 28, 2000 meetings.

Water Banking Staff Activities

Tim Henley, manager of the AWBA, reviewed the current deliveries. Actual deliveries through August have been slightly greater than projected. GRUSP has been taking more water than anticipated over the last few months and there has been additional storage made available at CAVSARP that the AWBA has utilized. Additionally, the GSF's have taken more water than anticipated. CAIDD and MSIDD will be using more AWBA water than scheduled through the end of the year. Mr. Henley estimated that AWBA deliveries will be in excess of 300,000 acre feet by the end of the year.

Discussion of Westside Facilities and Approval to Negotiate Contracts

Pinnacle West Capital Corporation Bouse Recharge Project

Wendy Wonderley of Navigant Consultants presented a summary of the project to the Authority. This project is currently a pilot project. Questions from the Authority included the following: Is there any contract water available to go into the facility?; What is the ultimate intended use of the land and what is the economic motivation of the land owners?; What is the ownership of lands in the basin?; Is there any indication that the recharged water will be there in the future?; What is the static level of groundwater?; What are the water quality issues in the area?; What is the perceived role of the AWBA during the pilot and full scale phases of the project?; and is Pinnacle West looking for financial contributions from the Authority, or just provision of water? Authority members also voiced general concerns about the Authority participating in pilot projects due to the increased risk associated with them and the concern that this recharge facility is not located within an area that offers any groundwater protection.

Mr. Henley informed the Authority that staff have begun developing skeleton agreements with private entities with three aspects in mind: (1) the agreements will be developed to insure that the AWBA maintains flexibility; (2) the storing entities must make assurances that the water will be available in the future (through agreement not to increase groundwater uses in the area through their own actions, allowing easements and deed restrictions to be put on the land, etc.); and (3) recovery will be an issue that will be addressed in the future to allow the AWBA to maintain maximum flexibility.

Vidler Water Company Recharge Facility

Dorothy Palmer of Vidler Water Company presented an update to the Authority regarding the status of the facility and briefly discussed Senate Bill 1254 which provides additional groundwater protection within the INA. She stated that they anticipate receipt of the full-scale permit sometime in October 2000. Questions from the Authority included the following: What is the total storage capacity of the facility?; What water quality information is available?; and Why should the Authority select this facility to store water?

McMullen Valley Water District-Vicksburg Farms Recharge Facility

Bill Chase stated that he could not participate in the discussion regarding this facility due to a relationship between his employer, the City of Phoenix, and the water district. Jay Moyes, counsel for the District and Jim Downing of the Harquavar Co. presented information regarding the facility to the Authority. This project is a pilot project. Questions from the Authority included the following: Explain how an irrigation well can also be used as an injection well?; What are the water quality concerns in the area?; How could poor water quality impact the AWBA if water is stored there?; and where within the district is the property held by the City of Phoenix?

Mr. Henley questioned Mr. Moyes and Mr. Downing regarding how this project is different from a GSF and Charles Cahoy, counsel for the ADWR and AWBA, stated that ADWR staff had some concerns regarding this project when the pilot scale permit application was received. A member of the public questioned where funds would come from for water storage at this facility.

George Renner made a motion to allow staff to initiate negotiations with the three entities with the caveat that the Authority's concerns be addressed with detailed staff reports and within the body of the agreements. Rita Pearson Maguire stated that she would like to amend the motion because of her concerns regarding the Authority participating in pilot projects. She did, however, support negotiations with entities possessing full-scale permits. The motion was amended and AWBA staff was given approval to begin negotiations with Vidler Water Company. Bill Chase specifically noted in the discussion that he would like to see cost addressed in the negotiation process and would like to see more detailed information regarding the project.

Status Report on Progress of Interstate Storage Agreement Between the AWBA and the SNWA

Mr. Henley stated that the last meeting between the negotiating teams was September 1, 2000. A copy of the summary of that meeting was in the Authority member's books. Mr. Henley informed the Authority that progress is being made in the discussion of broad concepts that need to be included within the agreement, however, there have been no substantive changes made yet to the draft agreement they received at the last subcommittee meeting. Mr. Renner stated that he would like the Authority to see the next draft with more detailed language before that draft is forwarded to Nevada.

2001 Annual Plan of Operation

Mr. Henley provided an overview of the draft plan and focused on discussion of Table 2. He reminded the Authority that the plan is developed in conjunction with the AWBA's recharge partners and the CAWCD. He stated that in 2001, water deliveries for the AWBA are somewhat constrained by conditions within the CAP system. In the early part of the year, CAP will be pumping to fill Lake Pleasant, which was greatly reduced over the summer due to unusually high demand. In November and December of 2001, the CAP has a planned outage for repairs of the Salt River siphon. Due to this outage, the schedule given to the AWBA by the CAP shows no

deliveries to USFs downstream of the siphon in those two months. Mr. Henley also noted the loss of two partners in 2001. CAVSARP is projected to be completely utilized by Tucson Water and MWD anticipates other partners fully utilizing their GSF. Mr. Henley reiterated that this is only a draft and will be fine-tuned over the next three months before its approval at the December 20, 2000 meeting. Public meetings will be held in conjunction with the three AMA GUACs. The draft plan will be presented at the Pinal AMA GUAC meeting on Thursday, September 21, 2000 and at the other GUAC meetings as they are scheduled in October and November.

Call to the Public

There were no questions or comments from the public.

The next AWBA meeting is scheduled for Wednesday, December 20, 2000. An Interstate Water Banking Subcommittee meeting is scheduled for Tuesday, October 24, 2000.

The meeting concluded at 12:15 p.m.