Governor’s Water Discussion

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- The Governor’s office believes that Arizona is on the cusp of an economic upturn, and it is time to “get Arizona’s water house in order”
- The Governor’s office desires that Arizona speak with “one voice” on Colorado River matters
- Two “asks” from the Governor’s office:
  - Maintain and promote a statewide view/perspective, and avoid parochial interests
  - Designate this work as a priority and keep individual organizations “up to speed”
Governor’s Water Discussion Process

Plenary Group makes recommendations leading to legislation, (targeting Fall 2017, with legislation to follow)

**Recommendations**
(Legislative, rules, and policy)

Governor’s Water Process
Plenary Group
(meets ~ 6 – 8 weeks)

Colorado River Work Group
Groundwater Work Group

Meeting frequently, ~ every 2 weeks
Provides suggestions to Plenary Group

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**Governor’s Water Discussion**

Process Update:
- Plenary Group met on 6/15
- Colorado River Work Group met on 6/20
- Groundwater Work Group met on 6/23

Next Meetings:
- Colorado River Work Group, on 6/29, 7/13, & 7/27
- Groundwater Work Group, on 7/10
- Plenary Group, TBD
Colorado River Workgroup – 6/20/17

Governor’s Top 5 Priorities
“Actions needed for the management of risk at Lake Mead”

- The interstate Drought Contingency Plan (DCP)
- The intrastate Drought Contingency Plan Plus (DCP Plus)
- Tribal Intentionally Created Surplus (ICS) program
- The management of excess water by the Central Arizona Water Conservation District (CAWCD); agreement is needed on a way forward
- Establishment of a permanent system conservation program

Colorado River Workgroup – 6/20/17

CAWCD Governance
“Actions needed to realize greater certainty for the State’s management of Colorado River water and the minimization of risk at Lake Mead”

- In the State’s due diligence process, the State heard support for a spectrum of changes to CAWCD governance,
- Suggested changes included replacing the current board structure with an alternative,
- At present the State neither supports nor opposes changes in the composition of the CAWCD Board,
- The State is willing to evaluate any thoughtful, well-developed plan that is proposed during this process.
Colorado River Workgroup – 6/20/17

CAWCD Governance (continued)
“the State advocates the following measures”

CAWCD Governance Measures

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<tr>
<td>Make the ADWR responsible for forbearing diversion of Arizona’s water conserved in Lake Mead (system conservation &amp; ICS)</td>
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<tr>
<td>Subject any CAWCD agreements with other States or water users that involve Colorado River water to approval by ADWR</td>
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<tr>
<td>Prohibit CAWCD from contracting for federal lobbying services</td>
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<tr>
<td>Require the Auditor General to perform a financial and performance audit of CAWCD every 3 years</td>
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<td>Expressly affirm through legislation that CAWCD does not have sovereign immunity</td>
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<tr>
<td>Explore ways of making the CAGRD more sustainable</td>
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<td>Allow AWBA direct access to the water storage (4-cent) tax</td>
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Colorado River and AWBA
“the State advocates the following measures”

Colorado River Actions

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<tr>
<td>Address present perfected rights regarding tribal rights in AZ v. CA and their potential use off reservation</td>
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AWBA Actions

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<tr>
<td>Expand AWBA authority to enter into partnerships for recovery for non-tribal entities</td>
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<tr>
<td>Expand AWBA authority to lease water for purposes other than Indian Firming</td>
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<tr>
<td>Expand AWBA authority to exchange credits accrued with water storage tax and withdrawal fee monies if the exchange improves the recovery to make water available for firming</td>
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Pinal AMA; select basins in Cochise, La Paz and Mohave Counties

• In the State’s due diligence process, they heard a number of suggestions from those individuals with whom they met.
• The leaders of the process want to solicit additional ideas from members of the Work Group.
• Unlike the Colorado River Work Group, the Governor’s Office does not have specific recommendations for the Groundwater Work Group to consider.
• The next several meetings of the Work Group will focus on the Pinal AMA.
• The other three areas will be discussed during later meetings.
• The next Groundwater Work Group meeting is July 10.

Pinal AMA issue is unmet 100-year demand, which prohibits new Assured Water Supply demonstrations.

Physical availability of groundwater in the Pinal AMA is constrained in many areas due to:
  - Continued pumping, primarily by the agricultural sector.
  - “Set-aside” of groundwater under 41 AWS Analyses, 91 AWS Certificates and 5 AWS Designations.
  - Long-term storage credits held by other parties are not available to demonstrate physical availability.

ADWR modeling of the Pinal AMA shows 100-year unmet demand of 8.6 million acre feet.

The issue in the other basins is that agricultural pumping is increasing and domestic wells are drying up.