

RESOLUTION OF THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT BOARD OF  
DIRECTORS  
CAGRDR Water Supply Program Principles  
October 3, 2013

WHEREAS, the Central Arizona Water Conservation District ("CAWCD") acting under its authority as the Central Arizona Groundwater Replenishment District ("CAGRDR") is required by law to replenish groundwater on behalf of its members; and

WHEREAS, the CAWCD may not deny or restrict membership in the CAGRDR and is therefore required to acquire various water supplies, as specified by law, to meet the replenishment obligations placed on the CAGRDR by its members; and

WHEREAS, the CAWCD Board of Directors in its 2010 Strategic Plan directed the CAGRDR staff to pursue the acquisition of water supplies as outlined in the CAGRDR Plan of Operation, which was approved by the Arizona Department of Water Resources; and

WHEREAS, in response to the CAWCD Board direction the CAGRDR staff has developed a Water Supply Program that identifies various types of potentially available water supplies including effluent, Long-Term Storage Credits, CAP water including M&I subcontracts, leases of Indian priority water, Non-Indian Agricultural priority supplies, Colorado River water and imported groundwater; and

WHEREAS, all acquisitions of water supplies for the CAGRDR must be approved in open meetings by the CAWCD Board of Directors; and

WHEREAS, the CAGRDR has analyzed its need for long-term water supplies as reported in the October 20, 2011 CAGRDR Mid-Plan Review and, after considering currently available long-term water supplies, has identified a near-term need for 25,000 acre-feet per year by 2015 and an additional need for 100,000 acre-feet per year by 2035; and

WHEREAS, the CAGRDR acquisition of a balanced portfolio of various water supplies will increase overall water supply reliability under a variety of hydrologic and operational conditions and will lessen the potential impact to the area from which any single supply is acquired; and

WHEREAS, the Western Governors' Association in its report *Water Transfers in the West, Projects, Trends, and Leading Practices in Voluntary Water Trading, December 2012* identifies the public policy benefit of water transfers through voluntary market-based transactions in which potential conflicts can be resolved through direct negotiation, and local conditions and needs are accommodated; and

WHEREAS, the CAGR Water Supply Program will be implemented consistent with state and federal law.

It is therefore **RESOLVED** that the CAWCD adopts the following Principles for the CAGR acquisition of long-term water supplies to meet its replenishment obligations:

- The CAGR does not have condemnation authority and will not partner with other entities to use their condemnation authority to acquire water supplies through condemnation.
- When considering agreements involving Colorado River entitlements held by irrigation districts, the CAGR acknowledges that the districts are the local governmental body best situated to assess any impacts to landowners and farmers within the districts and therefore, will negotiate directly with the districts.
- The CAGR will assert its fiduciary responsibility to its members by negotiating a fair and reasonable price for the acquisition of water supplies based on the best available information regarding the fair market value of said supplies.
- The CAGR will consider potential third-party impacts to the local community associated with any proposed water acquisition/transfer.
- The CAGR will acquire new water supplies in a manner that generally coincides with increases in the CAGR replenishment obligation water demand as they occur over time.

I, the undersigned, as Secretary of the Central Arizona Water Conservation District, hereby certify that the foregoing is a true and correct copy of the resolutions duly adopted by the Board of Directors of the Central Arizona Water Conservation District at a meeting thereof, duly called and held on October 3, 2013, at which a quorum was present and acting throughout. I further certify that said resolutions have not been modified or revoked since their adoption and are still in full force and effect.

SIGNED THIS 3<sup>rd</sup> DAY OF OCTOBER 2013.

By: \_\_\_\_\_



Lisa A. Atkins, Secretary