Arizona Water Banking Authority

Presented by

Kim Mitchell
Manager
Arizona Water Banking Authority

October 28, 2010

WESTCAS - 2010 Fall Conference
Problem

Under-utilization of CAP and the long-term security of Arizona’s entitlement

- Task Force - 16 members
- Advisory Committee - 34 members

Results:

Pricing to encourage use; AZ store excess water; M&I infrastructure; legislative action
What is the Arizona Water Bank?

- Authorized by Arizona State Legislature in 1996
- Store Arizona’s unused Colorado River water underground
- Long-term security of Arizona’s entitlement
What does the Bank do?

- Assist in meeting groundwater management plan objectives
- Provide drought protection for municipal and industrial users
- Assist in settlement of Indian water rights claims
- Loan credits and provide water banking services for others
- Interstate Banking
Administration

- **Five Member Commission**
  - two ex-officio legislative members

- **Administration**
  - Bank staff supported by Arizona Department of Water Resources and Central Arizona Water Conservation District
How is the Bank Funded?

- **State General Fund appropriation**
  - Provided annually at discretion of Legislature

- **Groundwater Withdrawal Fees**
  - Rate statutorily established at **2.50/AF**
  - Collected by AMA

- **4¢ *ad valorem* Tax Dollars**
  - Levied by CAWCD/Collected by County
  - 4 cents/$100 assessed evaluation
  - CAWCD determines if funds are made available to AWBA

- **Other Sources**
  - Interstate
  - Gifts, Grants, Donations
What is the CAP?
CAP Aqueduct
How does the Bank work?

- Schedule deliveries with Central Arizona Project
- Storage Facility Agreements
  - Groundwater Savings Facilities (GSF)
  - Underground Storage Facilities (USF)
- Annual Plan of Operation
Groundwater Savings Facility

(Indirect Recharge)
Underground Storage Facility

(Direct Recharge)
AWBA Performance

Volume of Water Delivered through 2009

<table>
<thead>
<tr>
<th>Year</th>
<th>Deliveries (1,000 Acre-Feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>325</td>
</tr>
<tr>
<td>1998</td>
<td>544</td>
</tr>
<tr>
<td>1999</td>
<td>795</td>
</tr>
<tr>
<td>2000</td>
<td>1,089</td>
</tr>
<tr>
<td>2001</td>
<td>1,384</td>
</tr>
<tr>
<td>2002</td>
<td>1,730</td>
</tr>
<tr>
<td>2003</td>
<td>1,943</td>
</tr>
<tr>
<td>2004</td>
<td>2,229</td>
</tr>
<tr>
<td>2005</td>
<td>2,442</td>
</tr>
<tr>
<td>2006</td>
<td>2,803</td>
</tr>
<tr>
<td>2007</td>
<td>3,188</td>
</tr>
<tr>
<td>2008</td>
<td>3,405</td>
</tr>
<tr>
<td>2009</td>
<td>3,570</td>
</tr>
</tbody>
</table>

Deliveries (1,000 Acre-Feet)
Interstate Water Banking

- Secretary of the Interior published rule Dec. 1999
- ADWR Director makes determination Jan. 2000
- AWBA Subcommittee
  - Principles
  - Nevada negotiations - Nevada’s goal 1.2 MAF
  - Three agreements
Agreement for Interstate Water Banking

- Agreement for Interstate Water Banking - July 3, 2001

AWBA to use its “best efforts” to store 1.25 MAF
Amended Agreement for Interstate Water Banking

- Amended Agreement for Interstate Water Banking - February 3, 2005
  - AWBA to guarantee storage of 1.25 MAF
  - NV agreed to pay $330 million ($100 million above cost of water delivery/storage)
Arizona Water Settlements Act

- AWBA statutes amended to make Water Bank agent for the State

- Agreement between the Secretary of Interior and AWBA for the Firming of Central Arizona Project Water - November 15, 2007
Indian Firming

- **State’s responsibility:**
  - firm 15,000 AF water reallocated to Gila River Indian Community
  - firm 8,724 AF water reallocated to AZ Indian tribes
  - assist Secretary in carrying out obligations of Southern Arizona Water Rights Settlement Act (Tohono O’odham)
In Conclusion

- The AWBA was created to address a Statewide concern: Under-utilization of Arizona’s Colorado River water.

- AWBA is achieving its original goal—has stored over 3.3 million acre-feet for the future.

- AWBA more recently has significant statutory and contractual obligations.
Questions?