

TO: Arizona Water Banking Authority Members

FROM: Kim Mitchell, Acting Manager

SUBJECT: Amended 2006 Annual Plan of Operation

DATE: August 4, 2006



AUTHORITY MEMBERS
Herbert R. Guenther, Chairman
Charles L. Cahoy, Secretary
Maureen R. George
John Mawhinney
William K. Perry

EX OFFICIO MEMBERS
Senator Jake Flake
Representative Lucy Mason

As approved by the Authority at the June 21, 2006 meeting, the 2006 Annual Plan of Operation (Plan) has been amended to reflect changes made to the original Plan as a result of the AWBA's recent Agreement for Water Storage at the Gila River Indian Irrigation & Drainage District (GRIIDD) Groundwater Savings Facility (GSF). Attached to this memorandum are an Amended Table 2 and a discussion regarding planned water deliveries to the GRIIDD GSF. The Amended Table 2 replaces page 7 of the original Plan and the discussion entitled "Participation in Indian Settlements" is a new heading to be inserted as page 7.1. These changes constitute the Amended 2006 Annual Plan of Operation.

**Amended Table 2
Water Delivery Schedule
Calendar Year 2006
(Acre-feet)**

AWBA-Recharge Sites		Permitted Capacity (AF)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
PHOENIX AMA :															
USF	GRUSP	200,000	0	0	0	0	0	0	0	0	2,500	2,500	2,500	2,500	10,000
	GRUSP Interstate		0	0	0	0	0	0	0	0	0	0	0	0	
	HIEROGLYPHIC	35,000	0	0	0	0	0	0	0	0	2,115	2,300	1,000	2,300	7,715
	HIEROGLYPHIC Interstate		0	0	0	0	0	0	0	0	0	0	0	0	
	AGUA FRIA	100,000	0	0	0	0	0	249	1,690	2,800	2,800	2,800	2,800	2,800	15,939
	TONOPAH DESERT	150,000	0	3,002	8,529	14,842	11,404	10,000	10,000	10,000	6,850	6,500	0	0	81,127
TONOPAH Interstate		0	0	0	0	0	0	0	0	0	3,500	10,000	10,000	23,500	
															138,281
GSF	SRP	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	CHANDLER HGTS ID	3,000	0	0	0	0	0	100	100	75	75	83	75	25	533
	MWD	18,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	NEW MAGMA	54,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	QUEEN CREEK	28,000	0	0	0	0	0	0	0	0	0	0	700	1,000	1,700
	RWCD	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	GILA RIVER INDIAN IDD	37,520	0	0	0	0	0	5,687	9,583	8,994	5,556	4,770	0	810	35,400
	TOTAL INTRASTATE		0	3,002	8,529	14,842	11,404	16,036	21,373	21,869	19,896	18,953	7,075	9,435	152,414
	TOTAL INTERSTATE		0	0	0	0	0	0	0	0	0	3,500	10,000	10,000	23,500
AMA TOTAL			0	3,002	8,529	14,842	11,404	16,036	21,373	21,869	19,896	22,453	17,075	19,435	175,914
PINAL AMA :															
GSF	CAIDD	110,000	0	0	0	0	0	0	1,650	1,650	0	0	0	0	3,300
	CAIDD Interstate		0	0	0	0	0	7,725	8,075	8,075	4,225	2,725	2,725	3,150	36,700
	HOHOKAM	55,000	820	1,897	583	0	0	0	0	0	0	0	0	0	3,300
	HOHOKAM Interstate		50	0	3,631	3,319	0	0	2,500	0	4,500	2,700	1,500	2,500	20,700
	MSIDD	120,000	1,130	1,560	0	300	310	0	0	0	0	0	0	0	3,300
	MSIDD Interstate		2,239	5,720	3,441	5,798	9,462	3,840	5,080	10,940	7,500	5,240	3,690	3,609	66,559
	GILA RIVER INDIAN IDD	18,480	0	0	0	0	0	2,828	4,765	4,472	2,763	2,372	0	400	17,600
															151,459
	TOTAL INTRASTATE		1,950	3,457	583	300	310	2,828	6,415	6,122	2,763	2,372	0	400	27,500
	TOTAL INTERSTATE		2,289	5,720	7,072	9,117	9,462	11,565	15,655	19,015	16,225	10,665	7,915	9,259	123,959
AMA TOTAL			4,239	9,177	7,655	9,417	9,772	14,393	22,070	25,137	18,988	13,037	7,915	9,659	151,459
TUCSON AMA:															
USF	AVRA VALLEY	11,000	0	318	370	610	400	150	650	650	1,035	685	685	1,047	6,600
	PIMA MINE RD	30,000	582	0	970	1,735	1,006	0	0	0	0	0	719	720	5,732
	PMR Interstate		0	0	0	0	2,200	2,014	500	2,200	2,014	1,000	2,200	2,200	14,328
	LOWER SANTA CRUZ	50,000	3,233	1,812	902	1,553	0	0	0	0	0	0	0	0	7,500
	LSC Interstate		0	0	809	1,720	3,343	2,500	3,800	3,800	4,700	2,925	4,700	4,700	32,997
	CAVSARP	80,000	1,000	1,000	0	0	2,000	2,000	2,000	2,000	2,000	3,000	3,000	2,000	20,000
CAVSARP Interstate		0	0	0	0	0	0	0	0	0	0	2,000	3,000	5,000	
															92,157
GSF	BKW	16,615	0	0	0	0	0	0	0	0	0	0	0	0	0
	KAI FARMS (Red Rock)	11,231	0	0	0	0	0	0	0	0	0	0	0	0	0
															0
	TOTAL INTRASTATE		4,815	3,130	2,242	3,898	3,406	2,150	2,650	2,650	3,035	3,685	4,404	3,767	39,832
	TOTAL INTERSTATE		0	0	809	1,720	5,543	4,514	4,300	6,000	6,714	3,925	8,900	9,900	52,325
AMA TOTAL			4,815	3,130	3,051	5,618	8,949	6,664	6,950	8,650	9,749	7,610	13,304	13,667	92,157
TOTAL INTRASTATE															
			6,765	9,589	11,354	19,040	15,120	21,014	30,438	30,641	25,694	25,010	11,479	13,602	219,746
TOTAL INTERSTATE															
			2,289	5,720	7,881	10,837	15,005	16,079	19,955	25,015	22,939	18,090	26,815	29,159	199,784
TOTAL															
			9,054	15,309	19,235	29,877	30,125	37,093	50,393	55,656	48,633	43,100	38,294	42,761	419,530

PARTICIPATION IN INDIAN SETTLEMENTS

One objective of the AWBA is assisting with the settlement of water rights claims by Indian communities within Arizona. The state of Arizona has a 100-year firming obligation under the Arizona Water Settlements Act (Settlements Act) P.L. 108-451 that was executed on December 10, 2004. In addition, pursuant to House Bill 2728 executed on April 18, 2005, the AWBA has statutorily mandated responsibilities for the Southside Replenishment obligation. The Indian Firming Study Commission (Study Commission), created by the Arizona legislature to evaluate the potential alternatives for meeting these obligations, concluded that the AWBA, in cooperation with ADWR and the Central Arizona Water Conservation District (CAWCD) is the most appropriate entity to fulfill the State's firming obligations. House Bill 2835, which included the Study Commission's recommendations, was subsequently signed by Governor Napolitano on April 12, 2006.

The AWBA subsequently entered into an agreement with the Gila River Indian Irrigation & Drainage District (GRIIDD) for water storage at the GRIIDD GSF on June 16, 2006. The associated water storage permits for this facility were also obtained. The GSF is on community lands and is located both in the Phoenix and Pinal AMAs, therefore two water storage permits were required for this facility. This GSF added an additional 56,000 acre-feet per year of storage capacity, however it will only operate through December 30, 2007. This amended Plan includes additional deliveries to the GRIID GSF totaling 53,000 acre-feet; 35,400 acre-feet for the Phoenix AMA and 17,600 acre-feet for the Pinal AMA. The AWBA intends to utilize monies collected from withdrawal fees to pay for deliveries to the GRIIDD GSF. However, because withdrawal fees are limited, deliveries previously scheduled using this fund will instead be shifted to deliveries utilizing 4¢ *ad valorem* tax in the Phoenix AMA and to deliveries for interstate purposes in the Pinal AMA. The cost share for the GRIIDD is \$20 per acre-foot.

Long-term storage credits accrued by the Authority at this facility will allow the State to meet a portion of its firming obligations under P.L.108-451, Sec.105 (a). It should be noted that if the enforceability provisions of PL108-451 are not met, the AWBA will retain full rights to the long-term storage credits developed.