

The 2009 Plan of Operation (Plan) has been amended to include additional supplies and water deliveries for interstate banking purposes. The following paragraphs have been changed and constitute the Amended 2009 Annual Plan of Operation.

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I. Water Availability

The AWBA had planned to deliver for storage a total of 118,523 acre-feet under the original 2009 Plan of Operation (Plan). In March, an additional 15,124 acre-feet of water available became available to the AWBA. The 2009 Plan was amended to include delivery of this additional water to the Central Avra Valley Storage and Recovery Project (CAVSARP) located in the Tucson AMA. Thus, the total deliveries scheduled under the 2009 Amended Plan are 133,647 acre-feet.

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III. Available Funds

The AWBA will have limited withdrawal fees available for use in this Amended Plan for intrastate storage. Because of a shortfall in the State's fiscal year 2009 budget, \$12.6 million was transferred from the AWBA fund in accordance with Senate Bill 1001. Of this amount, an estimated \$4.1 million will come from the withdrawal fee subaccounts for the three AMAs and will include 2009 collections and carryover from 2008. An estimated \$764,000 will remain for use in this Amended Plan: \$82,000 for the Pinal AMA and \$682,000 for the Tucson AMA. The remaining \$8.5 will be transferred from the Nevada subaccount.

As in previous years, the CAWCD Board resolved to continue to retain the county *ad valorem* property taxes collected and not transfer those revenues to the AWBA Fund. Property tax revenues retained by CAWCD can be used to offset the cost of AWBA water deliveries in the tri-county CAWCD service area. The estimated *ad valorem* tax balances available for 2009, including carryover, are: Maricopa County (\$91 million), Pinal County (\$2.48 million), and Pima County (\$10.1 million).

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Amended Table 2 Water Delivery Schedule Calendar Year 2009 (Acre-feet)															
AWBA-Recharge Sites		Permitted Capacity (AF)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
PHOENIX AMA :															
USF	West Maricopa Combine	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	HIEROGLYPHIC	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	AGUA FRIA	100,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	TONOPAH DESERT	150,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	TONOPAH Interstate		0	0	0	0	0	0	0	0	0	0	0	0	0
															0
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	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	1,343	2,285	2,285	1,142	1,142	8,197
	TONOPAH ID	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	GILA RIVER INDIAN IDD	37,520	0	0	0	0	5,402	5,711	10,475	8,365	5,373	0	0	0	0
															43,523
	TOTAL INTRASTATE		0	0	0	0	5,402	5,711	10,475	9,708	7,658	2,285	1,142	1,142	43,523
	TOTAL INTERSTATE		0	0	0	0	0	0	0	0	0	0	0	0	0
AMA TOTAL			0	0	0	0	5,402	5,711	10,475	9,708	7,658	2,285	1,142	1,142	43,523
PINAL AMA :															
GSF	CAIDD	110,000	0	0	0	1,500	2,000	5,500	5,500	5,500	0	0	0	0	20,000
	CAIDD Interstate		0	0	0	0	0	0	0	0	5,500	4,750	1,750	500	12,500
	HOHOKAM	55,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	HOHOKAM Interstate		0	0	0	0	0	0	0	0	0	0	0	0	0
	MSIDD	120,000	3,240	2,000	2,070	2,590	3,110	3,120	3,110	760	0	0	0	0	20,000
	MSIDD Interstate		0	0	0	0	0	0	0	0	3,120	5,570	3,090	720	12,500
	GILA RIVER INDIAN IDD	18,480	0	0	0	0	1,000	0	0	0	0	0	0	0	1,000
															66,000
	TOTAL INTRASTATE		3,240	2,000	2,070	4,090	6,110	8,620	8,610	6,260	0	0	0	0	41,000
	TOTAL INTERSTATE		0	0	0	0	0	0	0	8,620	10,320	4,840	1,220	25,000	
AMA TOTAL			3,240	2,000	2,070	4,090	6,110	8,620	8,610	6,260	8,620	10,320	4,840	1,220	66,000
TUCSON AMA:															
USF	AVRA VALLEY	11,000	480	0	500	500	500	500	520	0	0	0	0	0	3,000
	PIMA MINE RD	30,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	PMR Interstate		0	0	0	0	0	0	0	0	0	0	0	0	0
	LOWER SANTA CRUZ	50,000	2,000	0	2,000	2,000	0	0	0	0	0	0	0	0	6,000
	LSC Interstate		0	0	0	0	0	0	0	0	0	0	0	0	0
	CAVSARP	100,000	0	0	0	5,000	5,000	5,124	0	0	0	0	0	0	15,124
	SAVSARP	60,000	0	0	0	0	0	0	0	0	0	0	0	0	0
															24,124
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		2,480	0	2,500	7,500	5,500	5,624	520	0	0	0	0	0	24,124
	TOTAL INTERSTATE		0	0	0	0	0	0	0	0	0	0	0	0	
AMA TOTAL			2,480	0	2,500	7,500	5,500	5,624	520	0	0	0	0	0	24,124
Outside AMA:															
	HARQUAHALA VALLEY ID	50,000	0	0	0	0	0	0	0	0	0	0	0	0	0
OUTSIDE TOTAL															0
TOTAL INTRASTATE			5,720	2,000	4,570	11,590	17,012	19,955	19,605	15,968	7,658	2,285	1,142	1,142	108,647
TOTAL INTERSTATE			0	0	0	0	0	0	0	8,620	10,320	4,840	1,220	25,000	
TOTAL			5,720	2,000	4,570	11,590	17,012	19,955	19,605	15,968	16,278	12,605	5,982	2,362	133,647

Indian Firming

The Settlements Act recognizes three categories where the State has firming responsibilities. The first two obligations pertain to firming of water for the Gila River Indian Community (GRIC) and other Arizona tribes in times of shortage for a 100-year period; the third obligation pertains to providing assistance to the Secretary of the Interior (Secretary) in carrying out obligations of the Southern Arizona Water Rights Settlement Act.

1. GRIC - The AWBA must ensure that up to 15,000 acre-feet per year of CAP NIA priority water be made available to the GRIC. The 2009 Plan had included 31,326 acre-feet of water storage deliveries for this purpose. However, because of the legislative transfer of funds from the Phoenix and Pinal AMA withdrawal fee subaccounts, the 2009 Amended Plan does not include deliveries for meeting this obligation.

GRIC Water Settlement Program

In addition to the firming requirements of the Settlements Act, the AWBA, acting as agent for the State, is required to enter into an inter-governmental agreement (IGA) with GRIC for direct delivery of 15,000 acre-feet of water for the purpose of establishing the Southside Replenishment Bank. A minimum of 1,000 acre-feet per year is to be delivered to the GRIC to establish this Bank. The Southside Replenishment Bank will fulfill the obligations created under the Settlements Act for protection of the Reservation from off-reservation groundwater pumping. The 2009 Amended Plan includes 1,000 acre-feet of direct deliveries to the GRIC for this purpose anticipating the execution of the IGA.

INTERSTATE WATER BANKING

The 2009 Amended Plan has been updated to include an interstate water banking component for the State of Nevada. The legislative transfer of funds resulted in zero to near zero balances for the Phoenix and Pinal AMA withdrawal fee subaccounts, respectively. While CAWCD has sufficient funds available in the Maricopa County *ad valorem* tax fund to offset the AWBA's water delivery costs for the Phoenix AMA, the same is not true for the Pinal County fund. Therefore, to preserve the AWBA's originally scheduled deliveries to the Pinal AMA, a total of 25,000 acre-feet of deliveries have been rescheduled as interstate deliveries utilizing funds available in the Nevada subaccount. If more water becomes available later in the year after all storage for intrastate purposes has been maximized, the AWBA could store additional supplies for interstate banking to ensure that Arizona's full entitlement is diverted from the Colorado River.

Table 5. Funding for 2009 Amended Annual Plan of Operation

	Funds Available (\$)		Funds Utilized (\$)		Credits (AF)
	AWBA	CAWCD	AWBA	CAWCD	
Withdrawal Fees					
Phoenix AMA	\$0	-	\$0	-	0
Pinal AMA ¹	\$82,000	-	\$82,000	-	0
Tucson AMA	\$682,000	-	\$682,000	-	5,990
Four Cent Tax					
Phoenix AMA	\$0	\$91,032,000	\$0	\$2,600,062	40,480
Pinal AMA	\$0	\$2,478,000	\$0	\$2,000,000	37,200
Tucson AMA ²	\$0	\$10,134,000	\$0	\$1,445,000	13,950
Other					
General	\$0				
Phoenix AMA		-	\$0	-	0
Pinal AMA		-	\$0	-	0
Tucson AMA		-	\$0	-	0
Indian FIRMING	\$284,000				
Phoenix AMA		-	\$0	-	0
Pinal AMA		-	\$0	-	0
Tucson AMA		-	\$284,000	-	2,490
Gifts, Grants, Donations					
Shortage Reparations ³ (NV):	\$0				
Phoenix AMA		-	\$0	-	0
Pinal AMA		-	\$0	-	0
Tucson AMA		-	\$0	-	0
Interstate Banking					
Nevada ⁴	\$10,748,300		\$5,175,000		23,250
California	(not applicable)				
	Total Funds Available		Total Funds Expended		Credits
	\$115,440,300		\$12,268,062		123,360

¹ Includes expenditures for 1,000 acre-feet of direct deliveries for establishing the Southside Replenishment Bank under the Gila River Indian Water Settlement Program.

² Includes CAWCD's capital charge recovery for costs of construction of state demonstration projects when facilities are used for interstate purposes and by entities that do not pay the 4¢ *ad valorem* tax. Revenue through 2008 is estimated to be \$1,368,863.

³ Southern Nevada Water Authority (SNWA) agreed to provide \$8M to the AWBA to assist Arizona in offsetting impacts from shortages pursuant to Arizona-Nevada Shortage-Sharing Agreement. Approximately \$2.3M of these funds were expended in 2008.

⁴ Balance available in the Interstate Resource Account.